

86 01398

CARL ELAN
& Associates

CE & A

THE HOUSING ELEMENT

OF THE GENERAL PLAN

City of Auburn

INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

AUG 6 1986

UNIVERSITY OF CALIFORNIA



THE HOUSING ELEMENT

OF THE GENERAL PLAN

City of Auburn


Adopted December 9, 1985

Prepared By

Carl Elan and Associates

176 Gunnison Avenue

Sacramento, CA. 95838



Digitized by the Internet Archive
in 2024 with funding from
State of California and California State Library

<https://archive.org/details/C124887789>

Goals and Policies	ii
Implementation Programs	v
Quantified Objectives	xi

Table of Contents

I. Introduction.....	1
Intent and Purpose.....	1
Provisions for Updating.....	1
Citizen Participation.....	2
Intergovernmental Coordination.....	2
Review of Previous Housing Element.....	3
Consistency with Other General Plan Elements.....	4
II. Population and Household Characteristics.....	5
Population.....	5
Population Growth.....	5
Racial Composition.....	6
Handicapped Persons.....	6
Farmworkers and Homeless Persons.....	10
Households.....	11
Composition.....	11
Income.....	12
Residence.....	12
III. Housing Characteristics.....	16
Housing Stock Growth and Composition.....	16
Housing Tenure.....	18
Vacancy Rates.....	18
Overcrowding.....	19
Unit Size.....	19
Housing Conditions.....	21
Housing Costs and Overpayment.....	22
IV. Economic and Employment Characteristics.....	29
Economic Base.....	29
Employment.....	31

V. Housing Needs.....	34
Auburn's Share of Projected Regional Needs.....	35
Auburn's Projected New Construction Needs.....	36
Special Needs.....	38
VI. Availability of Land and Services for Residential Development.....	39
Residential Zoning.....	39
Vacant Land.....	39
Surplus Land.....	41
Services for Residential Development.....	41
VII. Constraints to Affordable Housing.....	43
Governmental Constraints.....	43
Local Land Use Controls.....	43
Building and Housing Codes.....	43
Permit Processing Fees and Times.....	44
Residential Development Fees.....	44
Annexation Policy.....	46
Non-Governmental Constraints.....	46
Availability of Financing.....	46
Price of Land.....	48
Cost of Development.....	48
Topography.....	48
VIII. Residential Energy Conservation.....	49
 Bibliography.....	 50
Appendix A: Available Housing Programs.....	51
Appendix B: Regional Housing Allocation Plan.....	60

Tables and Figures

Figures

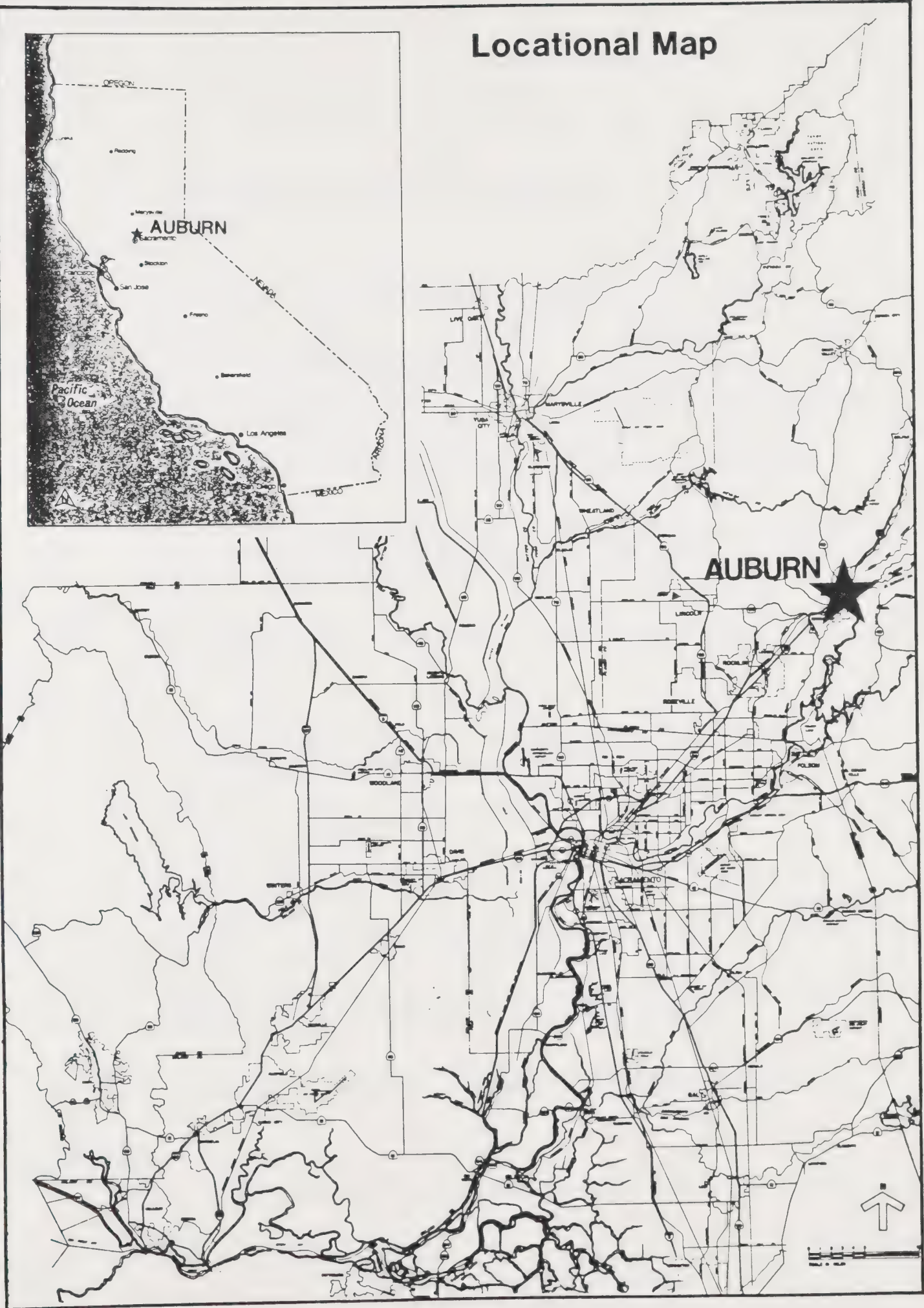
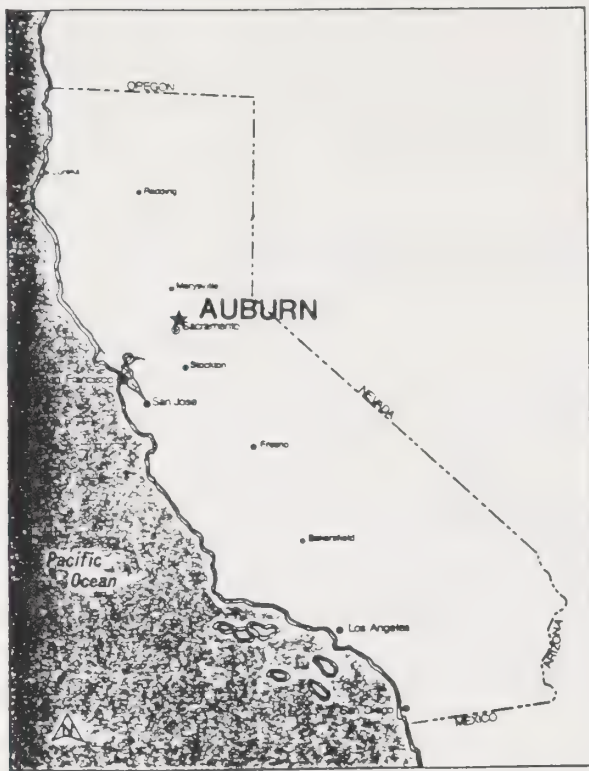
Locational Map.....	i
Housing Condition vs Annual Income Levels.....	23
Wage and Salary Employment, Three Major Industries.....	30

Tables

1. Population Growth Trends, 1960 - 1980.....	5
2. Age Distribution, By Sex, 1980.....	7
3. Population Distribution, By Race, 1970 - 1980.....	8
4. Work Disability, 1980.....	9
5. Types of Disabilities (Estimate), July, 1981.....	9
6. Household Composition, 1970, 1980, 1985.....	11
7. Family Type, 1980.....	12
8. Households and Families, By Income groups, 1979.....	13
9. Comparison of median Incomes, 1979.....	13
10. Household and Family Income Analysis.....	14
11. Household Residence In 1980 Compared To 1975.....	15
12. Housing Types, 1980 And 1985.....	16
13. Residential Building And Demolition Permits, 1980 - 1985.....	17
14. Housing Tenure (Occupied Units), 1980.....	18
15. Vacant Units And Vacancy Rates, 1980.....	19
16. Overcrowding, 1980.....	20
17. Rooms In Structure, 1980.....	20
18. Persons In Units, 1980.....	21
19. Residential Housing Conditions, 1985.....	22
20. Housing Unit Value, 1980.....	24
21. Monthly Contract Rent, 1980.....	25
22. Real Estate Listings, For Sale Units And Rentals.....	27
23. Household Income, By Gross Rent, As Percent of Income, 1980.....	28
24. Household Income, By Owner's Monthly Cost, As Percent Of Income....	28

25.	Wage and Salary Employment, 1979 - 1985.....	29
26.	Employment, By Occupation, 1980.....	31
27.	Civilian Labor Force, Employed and Unemployed, 1976 - 1985.....	32
28.	Monthly Unemployment Rates, 1984.....	33
29.	Existing And Projected Households, By Income Groups.....	36
30.	Revised New Construction Needs In Auburn.....	37
31.	Projected Total New Construction Needs, 1985 - 1992.....	37
32.	Vacant Residential Land And Unit Capacity.....	40
33.	Permit Processing Fees And Times, 1985.....	45
34.	Monthly Mortgage Payments.....	47
35.	Housing Development Cost Components, Estimate.....	48

Locational Map



Goals and Policies

Goal A: To Improve And Conserve The Existing Housing Stock

Policies

1. Encourage the private rehabilitation of housing.
2. Apply for federal and state funding assistance to rehabilitate substandard housing.
3. Require the abatement of unsafe structures, giving property owners ample opportunity to correct deficiencies.
4. Establish a code enforcement program to conserve the existing housing stock.
5. Provide referral services to notify the public of available rehabilitation programs under the County's Community Services Department or non-profit agencies.

Goal B: To Encourage The Provision Of Affordable Housing

Policies

1. Encourage the construction of affordable housing units using available federal and state programs.
2. Work with the County's Community Services Department to secure subsidized housing units.
3. Provide a density bonus or other incentives for the development of affordable housing.
4. Work with housing non-profit agencies to provide shared housing developments within the City.
5. Support a County based Housing Authority to provide administration of housing programs countywide.

Goal C: To Provide Adequate Sites For All Types Of Housing

Policies

1. Use redevelopment powers, when available, or other appro-

priate mechanisms to acquire and/or assemble sites for residential purposes.

2. Encourage the mixed use of commercial/residential development in the core area of the City.
3. Encourage the development of manufactured modular and innovative housing designs which make use of new technologies, in appropriate areas, to bring about cost and energy efficiency savings.
4. Institute an annexation program that will provide appropriately zoned land in order to adequately develop large-scale multi-family housing complexes.

Goal D: To Provide A Mix Of Housing For All Income Groups

Policies

1. Promote and encourage home ownership and utilize available federal and state programs to achieve this end.
2. Support the use of tax-exempt revenue bonds for housing developments and provide standards for the occupancy of such housing to include all income levels.
3. Work with the Sierra Planning Organization to update, on a periodic basis, and revise when necessary, the Housing Needs Allocation Plan.

Goal E: To Insure Equal Housing Opportunities

Policies

1. Promote the enforcement activities of the State Fair Employment and Housing Commission.
2. Give special consideration in housing programs to the needs of special groups including the handicapped, female headed households, and the elderly.
3. Recommend to the County the establishment of a Housing Advisory Body with adequate City representation.

Goal F: To Encourage Energy Conservation

Policies

1. Require the use of energy conservation features in the design of all new residential structures.
2. Encourage the use of weatherization programs for existing residential units.
3. Promote the reduction of energy costs through outreach assistance which focuses upon energy conservation practices.

Implementation Programs

To Improve And Conserve The Existing Housing Stock

1. Program Name: The State Community Development Block Grant.

Program Description: Created under the 1974 Housing and Community Development Act, the Community Development Block Grant Program is targeted towards low and moderate income households to improve housing and economic development conditions. Eligible activities include loans and grants for housing rehabilitation, construction of public works facilities, and low interest loans to businesses offering new employment opportunities.

Funding/Administration: Funding and Administration of the program on a statewide basis rests with the California Department of Housing and Community Development. Funding of local grant applications is competitive and occurs on an annual basis. Local Administration is usually performed by a city, consultant, a housing authority, or a local non-profit organization.

Time Frame: 1985 - 1992

2. Program Name: Rehabilitation Loans (HUD Section 312, Local Redevelopment Agency, CHFA Multi-Family Rehabilitation Program, and HCD Deferred Payment Loans.

Program Description: Direct loans provided to households or owners of rental property to bring property up to local code standards. Loan payments may vary from no payment (deferred loan paid back when house is sold) to 12% depending upon income of household and type of loan used.

Funding/Administration: Funding can be secured from a wide variety of sources including the Federal Department of Housing and Urban Development (HUD), Redevelopment Agency, the California Housing Finance Agency (CHFA), and the California Department of Housing and Community Development (HCD). Administration is usually the responsibility of the City or a non-profit with powers to deliver housing programs to the city.

Time Frame: 1985 - 1992

3. Program Name: Marks-Foran Residential Rehabilitation Act.

Program Description: Authorizes the city and redevelopment agency to issue tax-exempt bonds to finance residential rehabilitation.

Funding/Administration: Funding is derived through the sale of tax-exempt bonds; Administration is through the redevelopment agency.

Time Frame: Begin in 1988 as an ongoing program.

4. Program Name: Special Circumstances Program.

Program Description: Households living on fixed incomes derived from Social Security (SSI) are eligible for a one-time \$750 grant, and a \$300 annual grant thereafter to correct health and safety deficiencies in the housing unit, to install necessary energy efficient devices to reduce utility costs, to relocate, to replace furniture, and to prevent foreclosure actions. The City can make local residents aware of the program.

Funding/Administration: Funding and Administration is provided to eligible recipients by the local County Welfare office. Eligible households must apply with a case worker.

To Encourage The Provision Of Affordable Housing

1. Program Name: HUD Section 8 Existing Rental Assistance.

Program Description: This rent subsidy program is the main source of federal housing assistance for low income persons. The eligible tenant provides up to 30% of his monthly income for a rental unit and HUD makes up the difference between the 30% and the market rent. The subsidy goes with the tenant but is paid directly to the landlord.

Funding/Administration: Funding is authorized by the U.S. Congress and administered by HUD on the federal level. The Placer County Community Services Department operates the program on the local level.

Time Frame: 1985-1992.

2. Program Name: Article 34 Housing Referendum.

Program Description: The State Constitution requires local voter approval in order for any public body to develop lower income rental units. Any development of new rental units by the local Housing Authority or CHFA where the majority of tenants are low income would require the ballot measure.

Funding/Administration: The cost of placing the Article 34 measure on the ballot rests with the city. Funding efforts for passage of the measure would rest with local housing advocates.

Time Frame: Should be placed on the ballot at the earliest possible date - preferably 1986.

3. Program Name: Construction of New Housing for Renters through Various State and Local Programs (CHFA, Redevelopment Agency, and Multi-Family Tax-Exempt Bond Programs).

Program Description: Through various state and local programs, rental housing units may be constructed for low and moderate income households in the city by private and non-profit sponsors.

Funding/Administration: Both funding and Administration are handled by the sponsoring agency, e.g. City Redevelopment Agency, CHFA, or a bond underwriting firm. In the case of tax exempt bond financing, the city is required to pass inducement resolutions allowing the development to occur. On bond programs, the City may also require administrative fees and impose regulations to insure affordable rental housing units.

Time Frame: 1985 - 1990.

4. Program Name: Establishment of a Countywide Housing Authority.

Program Description: The City shall adopt a Resolution which requests the County of Placer to establish a full service Housing Authority. The Housing Authority would have the administrative responsibility to provide Section 8 certificates, work with non-profit and for-profit housing sponsors, and provide outreach services.

Funding/Administration: Minimal or no funding required. The County would be reimbursed for its housing services by federal and state housing agencies, eg., the Department of Housing and Urban Development (HUD).

Time Frame: Early 1986.

5. Program Name: Density Bonus Program.

Program Description: The City shall develop and adopt a density bonus provision as part of the General Plan and Zoning Ordinance. This program would allow for density bonuses of 25% or allow other developer incentives for the provision of low and moderate income housing units. Additional density bonuses would be considered for very low income households.

Funding/Administration: Both the funding (which is minimal) and administration would be the responsibility of the City.

Time Frame: Early 1987.

6. Program Name: Shared Housing.

Program Description: The City shall work closely with non-profit housing agencies for the funding and expertise required to establish a shared housing program for elderly residents. Large single-family units currently

Funding/Administration: Funding is secured through various State and local sources such as a redevelopment agency. Administration is the responsibility of the housing non-profit agency sponsoring the project.

Time Frame: 1988.

7. Program Name: California Housing Advisory Service (CHAS).

Program Description: Grants are made available to the City, County Community Services Department, or non-profit housing agencies to establish local housing advisory services to assist individuals and groups with self-help construction or rehabilitation of their houses.

Funding/Administration: Funding is secured through the California Department of Housing and community development. Administration rests with the City, Community Services Department, or non-profit agency receiving the funds.

Time Frame: 1986 - 1990.

To Provide Adequate Sites For All Types Of Housing

1. Program Name: Eminent Domain Powers Available Through A Redevelopment Agency.

Program Description: The Redevelopment Agency, when fully activated and using the powers of eminent domain, could acquire and assemble sites where appropriate for housing development. Such housing development could be provided to all income groups under this program.

Funding/Administration: Funding would be provided through tax-increment financing or the sale of redevelopment bonds. Administration is the responsibility of the locally established Redevelopment Agency.

Time Frame: Begin in 1988.

2. Program Name: Annexation.

Program Description: The City would annex an appropriate amount of unincorporated area in which vacant land suitably zoned for medium-density residential development is available.

Funding/Administration: City funding is required to initiate annexation procedures consistent with State statutory requirements. The City is the administrative body responsible for regulating annexed land.

Time Frame: Begin in 1986.

3. Program Name: Construction of Conventional Subsidized Housing Units.

Program Description: The City would work with the local Community Services Department to secure federal funds for the aquisition of site/s on which to build conventional HUD sponsored housing units for lower income households.

Funding/Administration: Funding is available through the U.S. Department of Housing and Urban Development passed on to the local agency, ie. the Community Services Department. The Community Services Department is responsible for administration and management.

Time Frame: 1986 - 1992.

To Provide A Mix Of Housing For All Income Groups

1. Program Name: Housing Production for Homeowners Utilizing State and Local Programs (CHFA Homeownership Program, Single Family Bond Issues).

Program Description: Through state and local sources, the City can encourage private developers to produce affordable homes for purchase. In locally induced tax exempt bond programs, housing is provided to moderate income, first time homebuyers at reduced mortgage rates.

Funding/Administration: Funding is secured from proceeds derived from the sale of tax exempt revenue bonds. Local program administrative monies can be built into the issuance of the bonds. General administration for the CHFA and local bond program is handled by the respective governmental agency.

Time Frame: 1985 - 1992.

2. Program Name: Housing Needs Allocation Plan Update.

Program Description: The City, working closely with the Sierra Planning Organization, would review and update the existing Housing Needs Allocation Plan as appropriate.

Funding/Administration: Minimal or no funding by the City required. The City would be responsible for administration.

Time Frame: 1985 - 1992.

To Insure Equal Housing Opportunities

1. Program Name: Coordinate Fair Housing Activities with the State Fair

Employment and Housing Commission.

Program Description: The State Fair Employment and Housing Commission (FECH) is the agency established for monitoring and enforcing fair housing practices throughout the state. The City can provide information to interested residents, and housing discrimination complaints can be referred by the City to the FECH for a resolution of the complaint.

Funding/Administration: Minimal funding by the City would be required for referral services. Administration could either be the responsibility of the City or of a local housing non-profit with the authority to provide referral services.

Time Frame: 1986 - 1992

2. Program Name: Community Housing Resource Board.

Program Description: Grants are available through the federal Department of Housing and Urban Development for administrative expenses required to set up a local non-profit fair housing program. The program may have several components, among them being the establishment of a referral service, monitoring of existing fair housing activities, and working with local realtors and owners of property to establish fair housing practices throughout the City.

Funding/Administration: Funding is on a competitive basis from the U.S. Department of Housing and Urban Development. Administration is the responsibility of the local non-profit Community Housing Resource Board established by the grant.

Time Frame: 1986 - 1990

To Encourage Energy Conservation

1. Program Name: Energy Efficient Programs and Outreach Services.

Program Description: The City can establish a cooperative agreement with a local non-profit corporation specializing in energy conservation programs and energy outreach services to promote these programs, including the HELP program, the LIHEAP/DOE program, and the REACH program.

Funding/Administration: Minimal or no funding required by the City. The local non-profit corporation uses administrative monies provided for in the energy grant programs it has secured. The administration would be conducted by the non-profit corporation selected, eg. Project GO located in Rocklin.

Time Frame: Begin in 1985.

QUANTIFIED OBJECTIVES

The Housing Element of the General Plan must include quantified objectives which specify the maximum number of housing units that can be constructed, rehabilitated, and conserved over the time frame of the Housing Element (7 years), based on the needs, resources, and constraints identified in this report. The following table summarizes housing needs and outlines the City of Auburn's quantified objectives for the time period between September 1, 1985 and January 1, 1992. It should be noted that the City of Auburn considers these objectives minimum targets for construction, rehabilitation, and conservation of housing and expects activity in the next seven (7) years to exceed these levels.

QUANTIFIED OBJECTIVES

September 1, 1985 - January 1, 1992
City of Auburn

	<u>Needs</u>	<u>Objectives</u>	
		Program Units ¹	Private Sector Units ²
New Construction			
Very Low Income	141	70	
Other Lower Income	79	50	
Moderate Income	107	60	20
Above Moderate Income	137		137
Rehabilitation	660	160	100
Conservation	864	200	400

¹ Assisted Units through the combined efforts of the City, the Placer County Community Services Department, and non-profit housing sponsors.

² Units to be provided by the private sector without public assistance or bonding capability.

I. Introduction

Intent and Purpose

The purpose of the Auburn Housing Element is to document the level and scope of housing problems and needs in the community and to establish policies, programs, and quantified objectives in order to fully address the needs of all economic segments of the population which constitute the housing market within the City of Auburn.

In 1980, the California State Legislature amended Section 65580 (c) of the Government Code under Assembly Bill 2853 establishing new and more detailed legal requirements for the Housing Element of the General Plan. Under the new law, a Housing Element must consist of:

"a. An assessment of housing needs and an inventory of resources and constraints relevant to the meeting of those needs.

b. A statement of the community's goals, quantified objectives, and policies relative to the maintenance, improvement, and development of housing.

c. A program which sets forth a [minimum] five year schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element."

The Auburn Housing Element includes an analysis of housing needs, a statement of goals and policies, and quantified objectives for new construction, rehabilitation, and conservation over a seven year period of time from 1985 to 1992.

Provisions for Updating

State law requires that the Housing Element of the General Plan be revised as the need dictates, but no less than every five years. This minimum five year period of time will allow communities to develop a revised housing program analysis based on new census information and an updated housing program based on: (1) The effectiveness of the existing plan to implement policies and housing programs in-place; (2) A review of the implementation plans the City has undertaken since the last update or a review of those plans the City intends to implement in the future, and; (3) the discontinuation of implementation plans that have occurred since the last update or those plans that will be discontinued, and the reasons for such discontinuation.

Citizen Participation

On September 10, 1985, a public meeting was held with interested residents within the City of Auburn in which all aspects of the Housing Element of the General Plan was reviewed and discussed. Attendees of the meeting were requested to list their concerns about the housing problems existing in the City and were informed of existing federal, state, and local housing programs that could be used to minimize or eliminate housing deficiencies that were present. Attendees were also requested to forward any comments on a housing plan to the Auburn City Hall where they could be taken into consideration for the final draft of this document.

On November 19, 1985, the Auburn Planning Commission in a public hearing reviewed and recommended approval of the draft Housing Element and forwarded it to the City Council. On December 9, 1985, the Auburn City Council, in a full public hearing, adopted the Housing Element as contained herein.

Intergovernmental Coordination

During the preparation of Auburn's Housing Element of the General Plan, numerous public agencies were consulted with, housing programs were discussed, and all information of a substantive nature related to the conditions of the housing market was included within the body of the text.

On the federal level, the Farmers Home Administration (FmHA) and the Department of Housing and Urban Development (HUD) were contacted and housing programs available to the City were discussed. The programs available through each federal agency was reviewed as to their applicability in meeting the housing needs in the City of Auburn.

On the state level, the Department of Housing and Community Development (HCD) provided assistance in program availability and made valuable suggestions and comments during the Housing Element review process. The Employment Development Department (EDD) provided information on the economic and labor market characteristics of the region. The State Department of Rehabilitation provided information on the number and types of disabled persons found within Placer County. The State Department of Finance provided population estimates and projections valuable in ascertaining future housing needs.

Several Placer County agencies provided assistance in data gathering and in the Housing Element review process. The Placer County Planning Department reviewed the Draft Auburn Housing

Element and provided additional information on local demographics and service availability. The Placer County Economic Development Department provided economic information during preparation of the Housing Element. The Sierra Planning Organization, the agency responsible for the regional housing needs allocation plan, reviewed the draft Housing Element for compliance with regional housing goals.

Review of Previous Housing Element

The previous Auburn Housing Element was prepared in 1982. The fundamental goal of that Housing Plan was "the provision of housing for all citizens regardless of individual social or economic status." The specific programs provided to implement that goal, in summary were: (1) Support a county based housing authority; (2) Encourage and support Section 8, Section 202, Section 235, and Section 312 Rehabilitation Loans; (3) Encourage and support the establishment of non-profit housing corporations; (4) Support CDBG applications for upgrading or extending utilities and services to areas otherwise not suitable for residential development; (5) Protect high-density zoned land and rezone to higher densities as available lands are used up; (6) Utilize PUD's for density bonuses; (7) Reduce design standards, where appropriate; (8) Encourage conversions and additional units on occupied parcels in the core area; (9) Provide for mobile home and manufactured home parks and subdivisions; (10) Utilize surplus public land at below-market value cost for subsidized housing programs.

Several programs were not effective in the provision of housing to targeted income groups, specifically (1),(2),(3),(4),(6),(7),(8), and (10) listed above. In January of 1986, the County of Placer will be administering the Section 8 program through its Community Services Department with such a move likely to have a substantial impact on the delivery of housing programs in Auburn. The City will be considering a CDBG application for housing rehabilitation which it has not had up to this point in time. Surplus land has not been available until recently, although it appears that the formation of a redevelopment agency will enable the City to have the power and financial resources to purchase surplus land for affordable housing. Programs that have been moderately successful have included the the protection of medium- to high-density land for housing (302 additional units possible) and the opportunity to place mobile homes in single-family residential areas throughout the City.

This Housing Element attempts to provide a more realistic time frame for program implementation. If each program listed in this Element is considered according to the year proposed, then it sets the stage for additional program development. For example, purchasing surplus land for affordable housing may only be accomplished if the appropriate level of financing is available through an active redevelopment agency. Therefore, a precursor to this program is the establishment of a redevelopment agency by 1987.

Consistency With Other General Plan Elements

The Housing Element is one of nine General Plan Elements mandated by State Law. The goals, policies, and quantified objectives contained within the Housing Element must be consistent with the goals and policies of other mandated elements of the General Plan.

The City of Auburn's most current General Plan was adopted by the Placer County Board of Supervisors on November 28, 1978 and by the Auburn City Council on February 5, 1979. A Housing Element of the General Plan was last updated for the City in 1982 which fulfilled the State Housing Element Guidelines of 1977.

This Housing Element, along with measures currently being taken to update and integrate the other General Plan Elements, is intended to establish conformity with existing State Planning law requirements. Any substantive revisions to the existing General Plan as a result of this Housing Element will be integrated into the General Plan, where appropriate, to insure internal General Plan consistency.

II. Population and Household Characteristics

Population

Population Growth

Compared to Placer County which had a substantial growth rate of 51.0% between 1970 and 1980, and the State which had a growth rate of 18.6% during the same decade, the City of Auburn experienced a relatively low growth rate of 14.8% accounting for 970 persons. However, the State Department of Finance estimates that Auburn will experience an increase in the growth rate from 1980 to 1990. The 22.4% growth rate expected (or 1,692 person increase) will be greater than the percentage increase for the State as a whole. Placer County will continue to witness a substantial 42.9% population growth primarily in the Roseville, Rocklin, and adjacent unincorporated areas where the electronic industries continue to locate. It can be expected that Auburn will have increased pressures to provide for population growth in the mid- and late-1980's as a result of the "spill over" from industrial and residential development that is occurring in south Placer County.

TABLE 1

POPULATION GROWTH TRENDS, 1960 - 1990

City of Auburn, Placer County, State of California

	<u>City of Auburn</u>	<u>Placer County</u>	<u>State of California</u>
1960	5,586	56,998	15,717,204
1970	6,570	77,632	19,953,134
1980	7,540	117,247	23,667,902
Percent Change,			
1970 - 1980:	14.8%	51.0%	18.6%
1985 (est.)	8,173	135,317	25,857,500
1990 (proj.)	9,232	167,600	27,989,698
Percent Change,			
1980 - 1990:	22.4%	42.9%	18.3%

Sources: U.S. Census Bureau
California State Department of Finance
Sierra Planning Organization

The changes that occurred in the age distribution for the population in Auburn from 1970 to 1980 were generally minor in nature for most age groups; the most significant changes a result of the teenage population in 1970 growing into young adulthood by 1980 and the older middle age population moving into the elderly age groups. These changes are best illustrated by Table 2 where the proportion of the population that was between 20 and 34 years of age increased from 16.3% of the population in 1970 to 23% in 1980 (6.7% increase). The elderly segment of the population also showed significant gains, increasing from 16.2% in 1970 to 21.5% in 1980 (5.3% increase). The largest proportional decrease in the population distribution between 1970 and 1980 occurred in the 5-19 age category, from 25.9% in 1970 to 18.8% in 1980 (7.1% decrease).

In terms of the age distribution for 1980 overall, the median age of the population in Auburn was significantly higher (37.8 years) than the County (32.2 years) and the State (29.9 years). The most dramatic feature of the age distribution in Auburn is that of the female population. The median age for females in 1980 was 41.4 years of age, a full 7 years older than the median age for males. Not only is the female median age of the population generally higher than the male median age in Auburn, but it is also higher than that of the County by 8.6 years and of the State by 10.4 years. The median age for males (34.4 years) is also proportionately higher than that of the County (31.5 years) and the State (29.0 years) but not as significant as found in the female population. In 1980, females constituted 55.1% of the population, outnumbering males by 772 persons. This picture illustrates the fact that in planning for housing programs in Auburn, the major emphasis should be on providing housing for persons entering the market for the first time and the elderly which tend to have smaller households largely as a result of their children moving out and establishing their own housing arrangements.

Racial Composition

Although Auburn's population base in 1980 was predominately white (95.8%), the City experienced minor gains in the minority population between 1970 and 1980. The largest proportional increase registered between 1970 and 1980 was in the "other" category (other than black, American Indian, Japanese, or Chinese) and the largest absolute increase occurred in the white population. A modest loss occurred in the black population as a proportion of the total population between 1970 and 1980; from 1% to 0.6%. In 1980, 3.9% of the population or 298 individuals were of Spanish Origin.

Handicapped Persons

The number of handicapped persons has important planning implications for providing certain social services, in the removal of barriers to facilities throughout the City, and in developing housing which has specialized access arrangements for the resident. Auburn has a slightly larger proportion of persons between the ages of 16 - 64 with a work disability (9.7%) when compared to Placer County (9.3%), although in either case the proportion is relatively small. The City, however, has a smaller proportion of residents with a work disability remaining in the labor force than residents countywide (36.5% for Auburn compared with 37.4% in Placer County).

TABLE 2

AGE DISTRIBUTION, BY SEX, 1980
City of Auburn

	<u>Total</u>	<u>Males</u>	<u>Females</u>
All Ages	7,540	3,384	4,156
Under 5	403	196	207
5-9	327	148	179
10-14	442	231	211
15-19	650	302	348
20-24	643	310	333
25-34	1,095	538	557
35-44	737	339	398
45-54	743	353	390
55-59	461	181	280
60-64	415	202	213
65-74	892	367	525
75 and Over	732	217	515

Median Age, City of Auburn:	37.8	34.4	41.4
Median Age, Placer County:	32.2	31.5	32.8
Median Age, State of California:	29.9	29.0	31.0

	<u>1970</u>	<u>1980</u>
Under 5 Years	395 (6.0%)	403 (5.3%)
5 - 19 Years	1,702 (25.9%)	1,419 (18.8%)
20 - 34 Years	1,074 (16.3%)	1,738 (23.0%)
35 - 44 Years	681 (10.4%)	737 (9.8%)
45 - 64 Years	1,651 (10.4%)	1,619 (21.5%)
65 Years and Older	1,067 (16.2%)	1,624 (21.5%)

Sources: U.S. Census Bureau
Sacramento Area Council of Governments

TABLE 3

POPULATION DISTRIBUTION, BY RACE, 1970 - 1980

City of Auburn

	<u>Numerical Distribution</u>		<u>Percentage Distribution</u>	
	<u>1970</u>	<u>1980</u>	<u>1970</u>	<u>1980</u>
Total	6,570	7,540	100.0%	100.0%
White	6,361	7,220	96.8%	95.8%
Black	63	46	1.0%	0.6%
American Indian	64	72	1.0%	0.9%
Japanese	33	32	0.5%	0.4%
Chinese	33	60	0.5%	0.8%
Other	16	110	0.2%	1.5%
<hr/>				
Spanish Origin ¹	N/A	298	N/A	3.9%

1. Due to a different method of census counting, the Spanish origin figure in 1980 is not comparable with the Spanish origin figure in 1970

Sources: U.S. Census Bureau

Sacramento Area Council of Governments

It can be assumed that the types of disabilities of persons in Auburn is proportionately similar to that of Placer County. According to the State Department of Rehabilitation, the largest proportion of handicapped persons in the County have a skeletal or muscular disability (42.8%) with the second largest proportion of handicapped persons having a cardiovascular disability. This indicates that concern should be given for wheelchair access to housing units, buildings, and other public areas and special hardware should be installed within these facilities to facilitate mobility required for daily living.

TABLE 4

WORK DISABILITY, 1980
City of Auburn

	<u>City of Auburn</u>	<u>Placer County</u>
With Work Disability:	438	7,120
In Labor Force	160 (36.5%)	2,663 (37.4%)
Not in Labor Force		
Prevented from Working	204 (46.6%)	3,575 (50.2%)
Not Prevented	74 (16.9%)	882 (12.4%)
No Work Disability	4,060	69,002

Source: U.S. Census Bureau

TABLE 5

TYPES OF DISABILITIES (ESTIMATE), JULY, 1981
Placer County

	<u>Placer County</u>	
	<u>Number</u>	<u>Percentage</u>
Skeletal/Muscular	3,770	42.8%
Cardiovascular	1,380	15.7%
Nuerological	560	6.4%
Respiratory	520	5.9%
Mental Retardation	410	4.6%
Alcohol/Drug Addiction	440	5.0%
Emotional Problems	480	5.4%
Digestive	230	2.6%
Blind	100	1.1%
Deaf	40	0.4%
Other Sensory	210	2.4%
Other Conditions	670	7.6%

Source: California State Department of Rehabilitation

Farmworkers and Homeless Persons

Farmworkers and Homeless persons do not appear to play a major role in the housing needs assessment for the City of Auburn. According to the California Farm Labor Report of October 12, 1985, farmworker activity accounted for 880 man-weeks in Placer County. Most of the farmworker activity that did occur took place in south Placer County, eg. Lincoln/Roseville Market Area. According to the State Department of Housing and Community Development, Migrant Services section, there were no requests during 1985 for farmworker's housing in Auburn.

Homeless persons are assisted by several programs in the Auburn Market Area. The Placer Women's Center located in Auburn provides temporary shelter for battered and rape victims and their children. In late December of 1985, a special women's shelter will be completed and will provide long-term shelter arrangements. Placer County also has limited financial resources for placing homeless persons in motels on a one- or two-night basis where a critical need exists. Longer term housing for homeless persons is provided through the Salvation Army located in Auburn.

Households

A household is any group of people living together in a residence, related or unrelated. A survey of household characteristics is useful in determining planning needs by indicating household sizes, incomes, overcrowding or underutilization of housing, and special need households such as those households headed by females or the elderly.

Composition

It is estimated by the State that the average household size in Auburn has decreased slightly from 2.24 persons per unit in 1980 to 2.22 persons per unit in 1985. Because the household population in Auburn is estimated to show an increase of 547 persons during the same five year time period, it is expected that the result will be a net increase of 271 households.

Comparing family formations to Placer County, Auburn shows a much smaller proportion of families with children, 50.4% in Placer County compared to 40.8% in Auburn. Another striking comparison is the smaller proportion of married couples with children in the City of Auburn (36.7%) compared to the County as a whole (48.6%). Both the City and the County display a substantial portion of female headed households with no spouses and having children, 66.2% for the City and 68.1% for the County. These figures suggest that while families with children and married couples with children may not be a major factor in shaping short-range housing programs for the City, female headed households are a special group that deserve consideration in shaping a comprehensive housing program at this time.

TABLE 6

HOUSEHOLD COMPOSITION, 1970, 1980, 1985

City of Auburn

	<u>1970</u>	<u>1980</u>	<u>1985 (est)</u>
Total Population	6,570	7,540	8,173
Total population, in Households	6,332	7,131	7,678
Total Population, in Group Quarters	238	409	495
Number of Households	2,452	3,188	3,459
Persons per Household	2.58	2.24	2.22

Sources: U.S. Census Bureau

California State Department of Finance

TABLE 7

FAMILY TYPE, 1980
City of Auburn and Placer County

	<u>City of Auburn</u>		<u>Placer County</u>	
	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>
Total Families	1,953	100.0%	32,225	100.0%
With Children Under 18	846	43.3%	16,923	52.5%
<hr/>				
Married Couples	1,601	100.0%	27,828	100.0%
With Children Under 18	601	37.5%	13,856	50.0%
<hr/>				
Female Householder, No Spouse	278	100.0%	3,281	100.0%
With Children Under 18	199	71.6%	2,414	73.6%

Source: U.S. Census Bureau

Income

The City of Auburn shows a large percentage of households with low incomes. In 1979, almost two-thirds of the households in Auburn had an annual income of under \$21,850, the figure used by the State Department of Housing and Community Development as the targeted lower income level for a family of four in Placer County. While the family median income of \$20,772 in Auburn was comparable with the family median income in Placer County and the State of California, the household median income in Auburn was substantially lower than that of the County and the State. A more detailed income analysis illustrated in Table 10 points to the fact that a much larger proportion (over 1/3) of the households in the City of Auburn was receiving income from social security than that of the County. It is also interesting to note that that almost one-half of all the families in Auburn below the poverty level were female headed. Of those families with incomes below the poverty level, 10.6% were headed by the elderly (65+) which was a slightly lower percentage than the 13.2% experienced in the County.

Residence

Household residence between 1975 and 1980 for a given geographical area can indicate not only the stability of the population in that area to hold or attract a population, but also indicate the areas from which in-migration is occurring. The greatest majority of

TABLE 8

HOUSEHOLDS AND FAMILIES, BY INCOME GROUPS, 1979

City of Auburn

	<u>Households</u>	<u>Families</u>
0 - \$2,499	112 (3.5%)	40 (2.1%)
\$2,500 - \$4,999	333 (10.5%)	58 (3.0%)
\$5,000 - \$7,499	327 (10.3%)	88 (4.5%)
\$7,500 - \$9,999	304 (9.6%)	153 (7.9%)
\$10,000 - \$12,499	232 (7.3%)	118 (6.1%)
\$12,500 - \$14,999	253 (8.0%)	149 (7.7%)
\$15,000 - \$17,499	198 (6.2%)	135 (7.0%)
\$17,500 - \$19,999	227 (7.1%)	177 (9.2%)
\$20,000 - \$22,499	200 (6.3%)	157 (8.1%)
\$22,500 - \$24,999	139 (4.4%)	121 (6.3%)
\$25,000 - \$27,499	146 (4.6%)	121 (6.3%)
\$27,500 - \$29,999	101 (3.2%)	56 (2.9%)
\$30,000 - \$34,999	151 (4.7%)	147 (7.6%)
\$35,000 - \$39,999	103 (3.2%)	85 (4.4%)
\$40,000 - \$49,999	198 (6.2%)	189 (9.8%)
\$50,000 - \$74,999	91 (2.9%)	85 (4.4%)
\$75,000 or More	63 (2.0%)	54 (2.8%)

Median Income	\$15,354	\$20,772

Source: U.S. Census Bureau

TABLE 9

COMPARISON OF MEDIAN INCOMES, 1979

City of Auburn, Placer County, and State of California

	<u>City of Auburn</u>	<u>Placer County</u>	<u>State of California</u>
Household Median	\$15,354	\$18,685	\$18,248
Family Median	\$20,772	\$21,662	\$21,541

Source: U.S. Census Bureau

TABLE 10

HOUSEHOLD AND FAMILY INCOME ANALYSIS
City of Auburn and Placer County

	<u>City of Auburn</u>		<u>Placer County</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
<u>All Households</u> ¹	3,178	100.0%	42,773	100.0%
With Wage or Salary Income	2,063	64.9%	31,978	74.8%
Mean Wage or Salary Income	\$17,528		\$20,546	
With Social Security Income	1,190	37.4%	10,863	25.4%
Mean Social Security Income	\$4,289		\$4,323	
With Public Assistance Income	292	9.2%	3,968	9.3%
Mean Public Assistance Income	\$3,399		\$3,028	
<u>Income Below Poverty Level</u>				
Families	104	100.0%	2,277	100.0%
<hr/>				
With Female Head	48	46.1%	876	38.5%
<hr/>				
Age 65 and Over	11	10.6%	301	13.2%

1. Some households receive income from more than one source.

Source: U.S. Census Bureau

households (66.1%) in both the City of Auburn and Placer County (61.1%) remained within the county between 1975 and 1980 with 40.1% of the households in Auburn living in the same residence. This not only indicates a relatively stable population base within the City but also suggests a growth pattern which is modest but healthy. While the City and County show a similar growth pattern, the County shows higher in-migration due largely to additions to the workforce attracted from adjacent counties desiring residence near the industrial and commercial growth occurring in the southern portion of the County.

TABLE 11

HOUSEHOLD RESIDENCE IN 1980 COMPARED TO 1975

City of Auburn and Placer County

	<u>City of Auburn</u>	<u>Placer County</u>
Same House	2,859 (40.5%)	46,500 (42.3%)
Different House,		
Same County	1,808 (25.6%)	20,648 (18.8%)
Different County,		
Same State	1,776 (25.1%)	34,733 (31.6%)
Different State	586 (8.3%)	6,514 (5.9%)
Abroad	37 (0.5%)	1,416 (1.3%)

Source: U.S. Census Bureau

III. Housing Characteristics

Housing Stock Growth and Composition

Between 1980 and 1985, it is estimated by the State Department of Finance that 275 housing units were added to the housing stock in the City of Auburn, the vast majority of these units being single family detached homes. During this same period of time, 25 units, all single-family detached homes, were demolished giving a net housing increase overall of 250 housing units. Proportionately, there are more multi-family units in the City of Auburn than in the County in 1985 (30.9% compared to 16.7%) due in part to the limited number of parcels zoned for such units in the unincorporated areas. There also is a smaller percentage of single family detached units in the City than countywide. Many of the multi-family units shown in Table 12 that were built in the City reflect condominium units under individual ownership and therefore do not necessarily indicate an increase in rental units. Only 3 mobile homes exist in the City, reflecting 0.1% of the total housing stock compared to mobile homes being 6.2% of the housing stock in the County. It can be expected that single family detached units will continue to increase proportionately in relation to multi-family attached units well into 1990 because of the limited availability of vacant land zoned for medium density residential development.

TABLE 12

HOUSING TYPES, 1980 AND 1985
City of Auburn and Placer County

	1980		1985	
	<u>City of Auburn</u>	<u>Placer County</u>	<u>City of Auburn</u>	<u>Placer County</u>
Single Units	2,415 (68.9%)	35,623 (76.5%)	2,609 (69.0%)	47,863 (77.2%)
Multi-Family (2-4)	417 (11.9%)	3,645 (7.8%)	464 (12.3%)	4,204 (6.8%)
Multi-Family (5 or More)	671 (19.1%)	3,933 (8.4%)	705 (18.6%)	6,114 (9.9%)
Mobile Homes	3 (0.1%)	3,388 (7.3%)	3 (0.1%)	3,823 (6.2%)
Total	3,506	46,589	3,781	62,004

Sources: U.S. Census Bureau
California State Department of Finance

TABLE 13

RESIDENTIAL BUILDING AND DEMOLITION PERMITS, 1980 - 1985

City of Auburn

Building Permits

	<u>Single Family</u>	<u>2-4 Units</u>	<u>5+ Units</u>	<u>Total</u>
1980	18	3	0	21
1981	65	0	0	65
1982	28	5	20	53
1983	38	26	0	64
1984	45	13	14	72
1985 (August)	49	8	0	57
Total	243	55	34	332

Demolition Permits

1980	3	0	0	3
1981	7	0	0	7
1982	1	0	0	1
1983	2	0	0	2
1984	5	0	0	5
1985 (August)	7	0	0	7
Total	25	0	0	25

Source: City of Auburn Building Department

Housing Tenure

In the City of Auburn, 53.4% of all housing units were owner occupied compared to 72.0% owner occupancy in Placer County. Since slightly less than one-third of all the housing units in Auburn are designated multi-family (structurally), and many of these are condominiums, it can be estimated that more than 20% of all renter households live in detached housing units primarily intended for single-family ownership. This factor alone, however, does not indicate a high absentee landownership situation in the City and in fact, may be healthy for the rental market since it provides larger units to families with children that could not be accommodated in a typical rental complex where units tend to be smaller and less conducive to large family formations.

TABLE 14

HOUSING TENURE (OCCUPIED UNITS), 1980

City of Auburn and Placer County

	<u>Total</u>	<u>Owner</u>	<u>Percent</u>	<u>Renter</u>	<u>Percent</u>
City of Auburn	3,188	1,701	53.4%	1,487	46.6%
Placer County	42,732	30,757	72.0%	11,975	28.0%

Source: U.S. Census Bureau

Vacancy Rates

A typical "rule of thumb" provided by the State is that a 2.0% vacancy rate is considered a "normal" or "safe" vacancy rate for single family owner-occupied housing units and a 6.0% vacancy rate is a "normal" or "safe" vacancy rate for multi-family rental housing units. According to the U.S. Census in 1980, the City of Auburn had a 7.9% owner vacancy rate and a 5.9% renter vacancy rate, suggesting a "glut" of for-sale units in the marketplace at the time the census was conducted. While the large proportion of units for-sale over the long run can be detrimental to housing values in the City (depressing housing prices generally), it can in the short term reflect an increase in the supply of rental units since the for-sale units can be rented until sold. There are strong indications that since the 1980 census, the high owner occupied and rental vacancy rates may have decreased substantially, due primarily to lower mortgage interest rates, alternative financing programs, and an overall healthier economy due to industrial growth in south Placer County and near the Auburn airport.

TABLE 15

VACANT UNITS AND VACANCY RATE, 1980

City of Auburn and Placer County

	<u>City of Auburn</u>	<u>Placer County</u>
Total Housing Units	3,505	46,757
Vacant Housing Units	317	4,025
For Sale Only	147	1,373
For Rent	93	1,160
Held for Occasional Use	20	636
Other Vacant	57	856
<hr/>		
Owner Vacancy Rate	7.9%	4.3%
Renter Vacancy Rate	5.9%	8.8%

Source: U.S. Census Bureau

Overcrowding

The U.S. Census Bureau defines overcrowding as more than one person per room in a housing unit. In 1980, the City of Auburn showed a substantially lower proportion of overcrowded housing units for both owner occupants and renters than that of Placer County. Compared to an overall State overcrowding rate of 7.4%, the overall rate in the City of Auburn was 1.3% and in the County, 3.2%.

Typical of other housing markets, overcrowded renter-occupied units were proportionately higher than owner-occupied units in the City and County although the City's 2.0% renter overcrowding rate was significantly low. These figures suggest, to a great degree, that while the overcrowding factor should not be overlooked in Auburn's housing market, it is a much less significant factor in designing housing programs than in many other market areas.

Unit Size

In analyzing the overall housing picture in the City, it is important to look at both the number of rooms in existing residential structures and the number of persons per housing unit. This information can provide the City with an indicator as to the types of new units that should be built in the future to serve unmet community needs. The U.S. Census indicates that the largest proportion of the housing units in Auburn, over three-quarters, had four or more rooms and that over one-half of the units had five or more rooms in 1980. This provides a picture of the typical housing unit in Auburn being large and comprised of a living room, kitchen, and three or more bedrooms/den combination. However, the median figure of only 1.97 persons per unit in the City of Auburn indi-

TABLE 16

OVERCROWDING, 1980
City of Auburn and Placer County

	<u>Total Units</u>	<u>Owner Occupied</u>	<u>Renter Occupied</u>
<u>Placer County</u>			
Total	42,732	30,757	11,975
Overcrowded	1,388	754	634
Percent Overcrowded	3.2%	2.4%	5.3%
<u>City of Auburn</u>			
Total	3,188	1,701	1,487
Overcrowded	42	12	30
Percent Overcrowded	1.3%	0.7%	2.0%

Source: U.S. Census Bureau

cates much smaller than average household sizes when compared to the County figure of 2.37 persons per unit. These figures suggest that a large segment of the housing market is characterized by large housing units occupied by small household formations. Building smaller units would appear to meet the needs of a large number of households in Auburn, especially if the units are reasonably priced and offer the advantages and amenities typical of larger units.

TABLE 17

ROOMS IN STRUCTURE, 1980
City of Auburn

	<u>Number</u>	<u>Percent</u>
Year-Round Housing Units	3,505	100.0%
1 Room	62	1.8%
2 Rooms	203	5.8%
3 Rooms	491	14.0%
4 Rooms	870	24.8%
5 Rooms	784	22.4%
6 or More Rooms	1,095	31.2%

Median Rooms	4.7	

Source: U.S. Census Bureau

TABLE 18

PERSONS IN UNITS, 1980
City of Auburn

	<u>Number</u>	<u>Percent</u>
Occupied Housing Units	3,188	99.9 ¹ %
1 Person	1,065	33.4%
2 Person	1,132	35.5%
3 Persons	457	14.3%
4 Persons	330	10.3%
5 Persons	136	4.3%
6 or More Persons	68	2.1%

Median, Persons per Unit 1.97

1. Error due to rounding.

Source: U.S. Census Bureau

Housing Conditions

A throughout survey of housing structural conditions was conducted for the City of Auburn in September of 1985. In this housing survey, units were assigned categories as either "standard" or "sub-standard". These two categories were further defined as units that were "sound" and "needs minor repair (conservation)" in the standard housing unit category and "needs major repairs (rehabilitation)", and "beyond repair (demolition)" in the substandard housing unit category.

The survey conducted in September showed that more than three-quarters (3/4) of all the residential structures were listed as sound and needing no repairs or in need of minor repairs. Adding up all the sub-categories where major repairs were necessary to bring the unit up to standard conditions, or where replacement was needed, only accounted for 18% of all the housing units in the City. The majority of the housing units in need of major repairs (rehabilitation) although proportionately small overall compared to sound units, tended to be concentrated in a few specific areas within the central portions of the City. In some of these areas, as much as 80% of the housing units needed major or minor repairs. Generally, the outlying residential portions of the City consisted of newer homes requiring no rehabilitation. A rehabilitation program should be considered and be concentrated in the older residential neighborhoods near and adjacent to the central portions of the City.

TABLE 19

RESIDENTIAL HOUSING CONDITIONS, 1985

City of Auburn

	<u>Standard Units</u>		<u>Substandard Units</u>		<u>Total</u>
	Needs		Needs Major	<u>Beyond</u>	
	<u>Sound</u>	<u>Minor Repair</u>	<u>Repair</u>	<u>Repair</u>	
Number	2236	864	660	21	3781
Percent	59.1%	22.8%	17.5%	0.5%	99.9% ¹

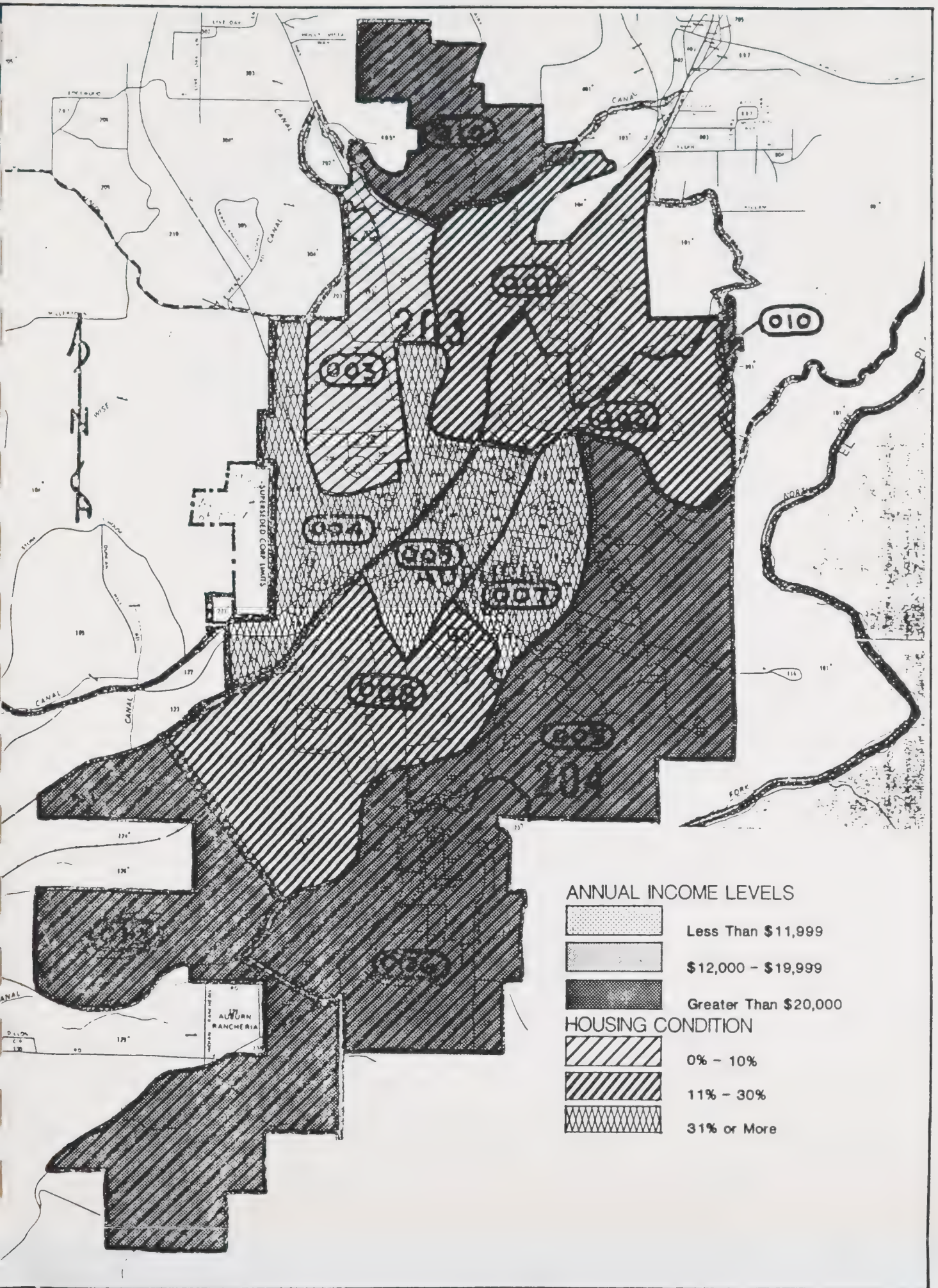
Source: City of Auburn

¹ Error due to rounding.Housing Costs and Overpayment

Twenty-five percent (25%) is the limit generally set by governmental agencies as to the proportion of its monthly income a household should reasonably be expected to pay for housing costs. Even at 30.0% of household income, the figure now set by the U.S. Department of Housing and Urban Development (HUD), most households in Auburn are unable to afford homeownership opportunities that were once available in the past.

In 1980 when the U. S. Census was conducted, the median house value in Auburn was \$71,900 with only 17.2% of the housing set at a value under \$50,000. By comparison, the median house value in Placer County was \$77,900. The monthly costs necessary to maintain a median priced house in Auburn with a mortgage, assuming a 12% mortgage interest rate for 30 years and 20% down (excluding utilities, taxes and insurance) would be, at a minimum, \$590. Using the 25% of housing cost to income standard would require an annual household income of \$28,320; at the 30% standard, the annual figure would be \$21,240. Add to this the additional costs of taxes, insurance, and utilities, and over two-thirds of the total households in 1980 would have been unable to buy and maintain a housing unit without overpaying, even assuming a house payment reflecting 30% of household income.

A profile of rents for Auburn in 1980 showed that the median monthly contract rent was \$203 per month, excluding utilities, requiring an annual household income of \$9,744 based on the 25% of rent to income ratio or \$7,308 based on 30% of rent to income. Clearly, the vast majority of households could afford the median rent in 1980. It is interesting to note, however, that almost one-quarter (1/4) of the households living in Auburn could not even afford the median priced rental unit without overpaying in 1980.



City of Auburn
 HOUSING CONDITION (Percent Needing Major Rehabilitation)
 vs.
 ANNUAL INCOME LEVELS (Median)
 BY NEIGHBORHOOD

TABLE 20

HOUSING UNIT VALUE, 1980

City of Auburn

<u>Value</u>	<u>Number</u>	<u>Percentage</u>
Less than \$10,000	8	0.5%
\$10,000 - \$14,999	8	0.5%
\$15,000 - \$19,999	11	0.7%
\$20,000 - \$24,999	28	1.8%
\$25,000 - \$29,999	21	1.4%
\$30,000 - \$34,999	47	3.1%
\$35,000 - \$39,999	32	2.1%
\$40,000 - \$49,999	107	7.1%
\$50,000 - \$79,999	679	45.0%
\$80,000 - \$99,000	298	19.7%
\$100,000 and Over	272	18.0%

Median Housing Value	\$71,800	

Source: U.S. Census Bureau

TABLE 21

MONTHLY CONTRACT RENT, 1980

City of Auburn

<u>Monthly Rent</u>	<u>Number</u>	<u>Percentage</u>
Less than \$50	7	0.5%
\$50 - \$99	168	11.4%
\$100 - \$119	54	3.7%
\$120 - \$139	96	6.5%
\$140 - \$149	42	2.8%
\$150 - \$159	106	7.2%
\$160 - \$169	49	3.3%
\$170 - \$199	178	12.1%
\$200 - \$249	327	22.2%
\$250 - \$299	172	11.7%
\$300 - \$399	175	11.9%
\$400 - \$499	52	3.5%
\$500 or More	13	0.9%
No Cash Rent	32	2.2%

Median Rent (Monthly)	\$203	

Source: U.S. Census Bureau

During the month of September, 1985, a sampling of housing units for sale and rental available indicated that housing prices have increased - with the most dramatic changes occurring in the rental market. For example, the median rent figure of \$203 in 1980 would not even pay for the smallest rental unit listed on the market currently, which was a one bedroom, one bath unit listed at \$250.

According to the U.S. Census, the vast majority of renters (76.2%) having annual incomes below \$15,000 were paying more than 25.0% of their income for rent. While renter households having annual incomes above \$15,000 showed an improvement in the ratio of rent to income, 16% of these households were still overpaying for housing. Because renter households constitute a large share of the housing market (46.6%), the impact of overpaying for rental housing is significant enough to warrant attention when proposing City housing programs.

The proportion of the household income required for monthly mortgage payments by homeowners was almost as severe a problem as the income to rental payment ratio described previously. Slightly more than 40% of homeowners having incomes below \$15,000 annually were paying more than 25.0% of their incomes for housing. For homeowners having incomes above \$15,000, 18.4% were overpaying. The ratio of income to mortgage costs, however, has a smaller impact upon the community than income to rental payments since more than 2/3 of the homeowners have incomes in excess of \$15,000.

TABLE 22

REAL ESTATE LISTINGS, FOR SALE UNITS AND RENTALS

September, 1985

City of Auburn

For Sale Units¹

	1 Bed	2 Bed	2 Bed	3 Bed	3 Bed	4 Bed	4 Bed
	<u>1 Bath</u>	<u>1 Bath</u>	<u>2 Bath</u>	<u>1 Bath</u>	<u>2 Bath</u>	<u>1 Bath</u>	<u>2 Bath</u>
<u>Cost/Type</u>							
Low	\$38,500	\$39,750	\$ 49,500	\$59,500	\$ 41,500	\$ 79,950	\$107,000
High	\$58,950	\$85,000	\$124,900	\$86,500	\$185,000	\$125,000	\$150,000
Mean	\$48,725	\$56,160	\$ 78,290	\$73,090	\$ 94,750	\$ 99,240	\$120,600
Sample Size	2	16	7	5	20	4	8

For Rent Units²

	1 Bed	2 Bed	2 Bed	3 Bed	3 Bed
	<u>1 Bath</u>	<u>1 Bath</u>	<u>2 Bath</u>	<u>1 Bath</u>	<u>2 Bath</u>
<u>Rent/Type</u>					
Low	\$250	\$360	\$400	\$500	\$500
High	\$360	\$410	\$650	\$550	\$675
Mean	\$309	\$380	\$514	\$525	\$590
Sample Size	5	8	7	2	9

1. Available For Sale units listed in Auburn during the week of September 23-27, 1985 with the following four (4) realtors: (1) Bertrando & Associates; (2) ERA Motherlode; (3) Thurmond & Thurmond, and; (4) Century 21.
2. Available For Rent units listed in Auburn during the week of September 23-27, 1985 with the following four (4) realtors or property managers: (1) Bertrando & Associates; (2) Huber Property Management; (3) Sutherland Investment, and; (4) Motherload Realty.

TABLE 23

HOUSEHOLD INCOME, BY GROSS RENT, AS PERCENT OF INCOME, 1980

City of Auburn

Rent as Percentage

<u>of Income</u>	<u>0 - \$4,999</u>	<u>5 - \$9,999</u>	<u>10 - \$14,999</u>	<u>15 - \$19,999</u>	<u>\$20,000+</u>
0 - 19%	0	29	84	131	126
20 - 24%	34	53	72	58	52
25 - 34%	51	146	75	16	43
35%+	215	168	37	0	11
Not Computed	33	0	10	0	0

673 Targeted Households Paying More Than 25% of Income for Rental Payments (70.1% of Total Targeted Households).

Source: U.S. Census Bureau

TABLE 24

HOUSEHOLD INCOME, BY OWNER'S MONTHLY COSTS, AS PERCENT OF INCOME, 1980

City of Auburn

Owner Costs as

<u>Percent of Income</u>	<u>0 - \$4,999</u>	<u>5 - \$9,999</u>	<u>10 - \$14,999</u>	<u>15 - \$19,999</u>	<u>\$20,000+</u>
0 - 19%	0	143	89	137	619
20 - 24%	10	46	11	17	57
25 - 34%	54	0	20	17	106
35%+	73	16	44	38	26
Not Computed	0	0	0	0	0

196 Targeted Owner Households Paying More Than 25% of Income For Housing Payments (41.0% of Total Targeted Households).

Source: U.S. Census Bureau

IV. Economic and Employment Characteristics

Economic Base

As of 1984, Placer County's economy was primarily based on three major industrial groups, those being Retail Trade (23.0%), Services (22.3%), and Government (19.3%). Employment in the two largest industrial groups, retail trade and services, have grown substantially since 1979 (33.3% and 38.6% respectively) while employment in government has shown little growth since 1979 overall (7.7%).

In the retail trade industry, a strong growth trend in 1983 and 1984 produced 1,500 new jobs with eating and drinking places accounting for one out of every two jobs created. Substantial increases also occurred in building materials and garden supply outlets. Projected employment gains are expected to be more evenly distributed among all retail industries except eating and drinking places which will continue to dominate in the future.

TABLE 25

WAGE AND SALARY EMPLOYMENT, 1979 - 1985

BY INDUSTRY

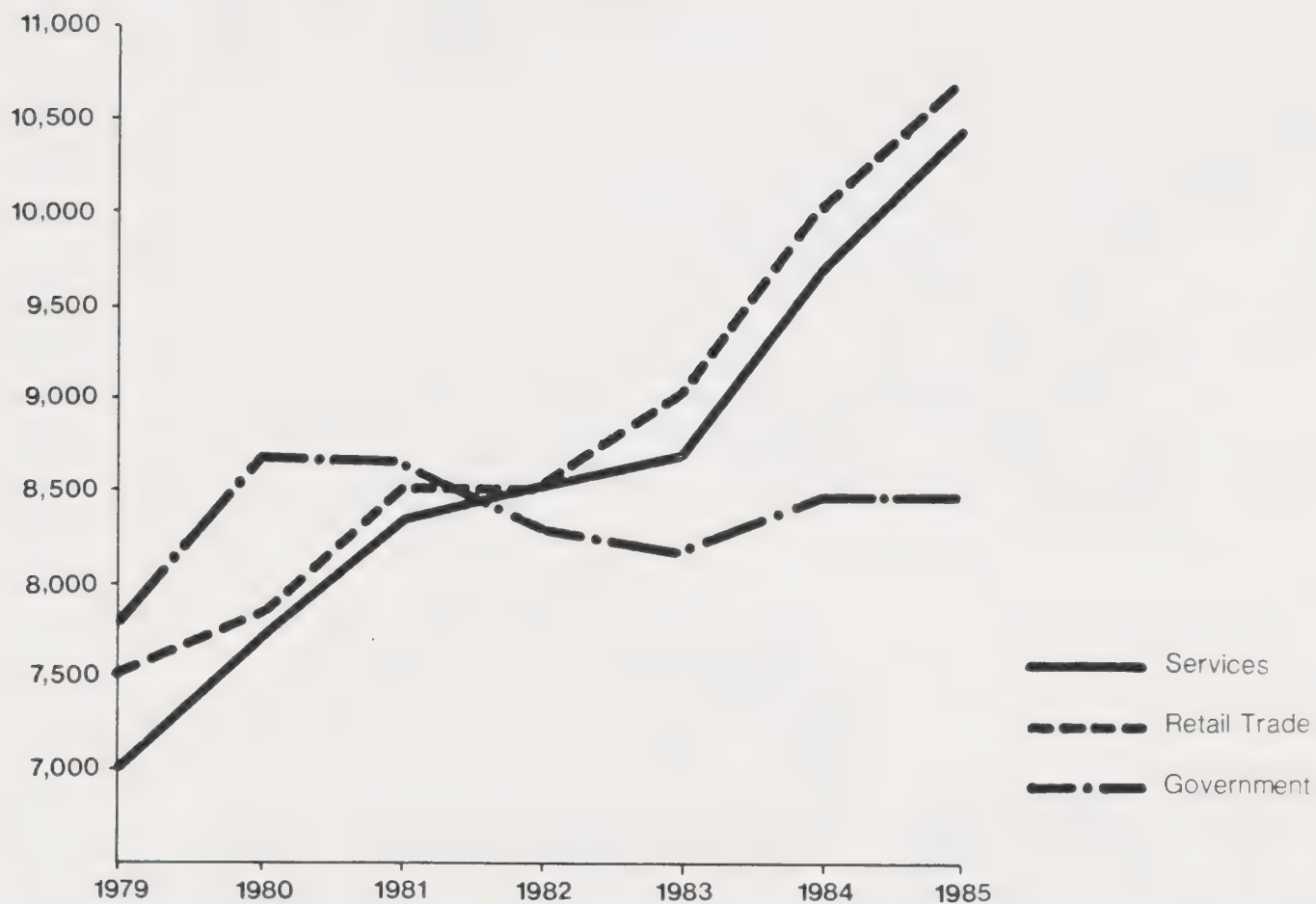
Placer County

	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985 (est.)</u>
Total, All Industries	35,100	37,000	37,800	37,800	39,200	43,400	46,100
Agriculture, Forestry, and Fisheries	500	500	500	500	400	500	500
Non - Agricultural							
Industries	34,600	36,500	37,300	37,300	38,800	42,900	45,600
Construction & Mining	3,000	2,700	2,200	1,800	2,300	3,100	3,300
Manufacturing	2,700	2,600	2,800	3,100	3,300	4,200	5,000
Nondurable Goods	700	700	700	700	700	700	700
Durable Goods	2,000	1,900	2,100	2,400	2,700	3,500	4,300
Transportation and							
Public Utilities	4,000	4,200	4,000	4,100	4,100	4,100	4,200
Wholesale Trade	900	1,000	900	1,100	1,200	1,300	1,400
Retail Trade	7,500	7,800	8,500	8,500	9,000	10,000	10,700
Finance, Insurance, and Real Estate	1,800	1,800	1,800	1,900	2,000	2,100	2,200
Services	7,000	7,700	8,300	8,500	8,700	9,700	10,400
Government	7,800	8,700	8,700	8,300	8,200	8,400	8,400

Source: California State Employment Development Department

WAGE & SALARY EMPLOYMENT THREE MAJOR INDUSTRIES

1979 - 1985
Placer County



Service industries witnessed gains primarily in health services and amusement and recreation. Among health services, new jobs were reported in outpatient care facilities, general hospitals, and nursing care facilities. Projected job growth in the short term future is expected to continue in the health and recreational sector of the service industry.

Between 1982 and 1984, 100 new jobs were gained in the government sector of the service industry, primarily as a result of small gains in local education. Little or no change is expected in employment gains in the short range future.

Employment

Overall, total wage and salary employment in Placer County grew steadily from 35,100 in 1979 to 43,400 in 1984. Total employment was expected to rise from the 1984 figure to 46,100 persons in 1985.

By occupation, the four largest working groups in the City of Auburn were composed of Administrative Support/Clerical positions (16.3%), "Other Service" which includes personnel and health service workers (15.5%), Precision Production, Craft, and Repair Service workers (14.6%), and Professional Specialty workers (13.5%).

The City of Auburn's workforce is similar to that of Placer County except for the "other services" and professional specialty occupations which are proportionately larger in the City. The County shows a proportionately larger workforce in Transportation/Material Moving and Farming, Forestry, and Fishing occupations.

TABLE 26

EMPLOYMENT, BY OCCUPATION, 1980 City of Auburn and Placer County

	<u>City of Auburn</u>		<u>Placer County</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Executive/Administrative	375	12.1%	6,060	12.3%
Professional Specialty	419	13.5%	5,823	11.8%
Technicians & Related Support	99	3.2%	1,494	3.0%
Sales	359	11.6%	5,670	11.5%
Admin. Support/Clerical	506	16.3%	8,380	17.0%
Private Household	4	0.1%	238	0.5%
Protective Service	50	1.6%	828	1.7%
Other Service	481	15.5%	6,179	12.6%
Farming, Forestry, Fishing	35	1.1%	1,324	2.7%
Precision Production and Repair	452	14.6%	7,396	15.0%
Machine Operators/Assemblers	123	4.0%	1,808	3.7%
Transportation/Material Moving	93	3.0%	2,192	4.5%
Handlers, Helpers, and Laborers	106	3.4%	1,752	3.6%

While Placer County has experienced high unemployment rates generally, since 1976 (except for 1979), the number of employed persons has increased gradually reflecting an improvement in the high unemployment rates experienced previous to 1985. The projected 7.9% annual unemployment rate in 1985 would be the lowest rate since 1979.

The monthly unemployment rate did not fluctuated substantially in 1984 compared to other employment market areas and this provides a picture of little or no seasonality associated with the County's basic industries. While the months of January and February showed a 10%+ unemployment rate, this percentage is consistant with statewide unemployment figures. Usually, higher unemployment rates during the first two months of the year are reflective of a "drop off" in construction and other work affected by weather conditions.

TABLE 27

CIVILIAN LABOR FORCE, EMPLOYED AND UNEMPLOYED, 1976 - 1985

Placer County

	<u>Labor Force</u>	<u>Employed</u>	<u>Unemployed</u>	<u>Unemployment Rate</u>
1976	38,000	33,700	4,300	11.4%
1977	40,400	36,200	4,200	10.5%
1978	42,300	38,400	3,900	9.1%
1979	54,700	50,700	4,000	7.4%
1980	55,900	50,700	5,200	9.2%
1981	58,000	52,000	6,000	10.3%
1982	60,600	52,900	7,700	12.7%
1983	60,500	54,100	6,400	10.5%
1984	62,000	56,700	5,300	8.6%
1985 (est.)	65,500	60,300	5,200	7.9%

Source: California State Employment Development Department

TABLE 28

MONTHLY UNEMPLOYMENT RATES, 1984
Placer County

January	10.6%	July	8.6%
February	10.9%	August	7.4%
March	9.6%	September	8.1%
April	8.5%	October	7.0%
May	8.6%	November	8.2%
June	8.0%	December	7.7%

Source: California State Employment Development Department

V. Housing Needs

Housing needs, as defined by current State guidelines, fall into three categories: existing needs, projected needs over a five year time period, and special needs. Earlier sections of this report identified several existing needs in the City of Auburn. In summary, they are:

- Handicapped/Work Disability (1981)
438 persons with a work disability (9.7%)
Largest disability is skeletal/muscular (42.8%)
- Female head of households (1980)
157 female head of households with children (66.2%)
- Low Income Households (1979)
2,086 households targeted as lower income by State (65.7%)
\$15,354 City median compared to \$18,685 County median
1,190 households receiving Social Security Income (37.4%)
- Elderly Households (1980)
1624 persons age 65 and over (21.5%)
964 households headed by persons age 65 and over (30.2%)
- Underutilization of Housing (1980)
1,879 housing units have 5 or more rooms (53.6%)
964 housing units occupied by 2 or fewer persons (68.9%)
- Substandard Units (1985)
1,524 units need rehabilitation (40.3%)
Approx. 1,219 units (80.0%) located in 2 or 3 specific areas
- Overpayment (1980)
692 renters with incomes under \$15,000 overpaying (76.2%)
- Young Adult Households (1980)
1,738 persons between 20-34 years of age (23.0%)
664 person or 6.7% increase in 20-34 age category since 1970

Projected housing needs are the total additional housing units required to adequately house a jurisdiction's projected population in five years in units that are affordable, in standard condition, and not overcrowded. Projected housing needs, therefore, include the needs of the existing population as well as the needs of the additional households expected to reside in the jurisdiction in the next five years.

Special housing needs focus on the needs of sub-groups within the population with special housing requirements such as the elderly, the handicapped, large families, and households headed by single females.

Auburn's Share of Projected Regional Needs

To assist local governments in Placer, El Dorado, Nevada, and Sierra Counties in making projections of future housing needs, the Sierra Planning Organization, located in Auburn, prepared a regional housing needs plan covering the time period from 1983 to 1990. The purpose of the plan is to examine housing needs across jurisdictional boundaries and allocate to each local government its responsibility for planning housing programs to meet those needs.

The Housing Needs Allocation Plan, which appears as Appendix B, contains a projection of the number and distribution of households among various income groups (i.e. very low, other lower, moderate, and above moderate) for the years 1983 and 1990. The plan considers the City of Auburn as one housing market area and makes the following eight (8) assumptions: (1) Household growth projections are considered as minimal growth needs and this growth should be directed towards incorporated areas; (2) The economic conditions of each housing market area will not change significantly during the growth period; (3) Infrastructure limitations will be the only limiting factor in providing housing; (4) Census figures provided for 1980 are assumed to be valid for 1983; (5) Geography for each housing market area is assumed to remain constant; (6) Anticipated employment increases in areas such as south Placer County and Grass Valley are taken into account in the population projections; (7) Household size will decrease over the projected time period, and; (8) The private sector will provide most of the additional housing required to meet local needs.

As Table 29 indicates, the Sierra Planning Organization projects that the percentage of lower income households (i.e. very low and other lower) will show a small decline by 3.6% between 1983 and 1990. Above moderate income households are expected to increase by the corresponding 3.6% rate. This indicates that more reliance will be placed on the private sector to provide additional housing units for higher income households in the future.

TABLE 29

EXISTING AND PROJECTED HOUSEHOLDS, BY INCOME GROUPS¹
1983 AND 1990
City of Auburn

<u>Income Group</u>	<u>No. Households</u>		<u>Percent Households</u>	
	<u>1983</u>	<u>1990</u>	<u>1983</u>	<u>1990</u>
Very Low	1,143	1,220	34%	30.4%
Other Lower	572	683	17%	17.0%
Moderate	773	924	23%	23.0%
Above Moderate	874	1,189	26%	29.6%
Total	3,362	4,016	100%	100%

1. The 1983 figures were based on 1980 census data. The 1990 figures were based on projections provided by the Sierra Planning Organization. For each housing market area (City), the 1980 percentages in each income group was multiplied by the estimated total number of households at the beginning period of the Regional Housing Allocation Plan (1983) using Department of Finance household figures.

The City of Auburn's New Construction Needs

Another type of projections not found in the Regional Allocation Plan but necessary to fulfill the State Housing Element guidelines are estimates, based on the total household projections, of the total number of new housing units that should be constructed between 1983 and 1990 to meet the needs of additional households expected to reside in the City of Auburn.

The basic new construction needs are to be decided by each local governmental jurisdiction within the larger four county area covered by the Sierra Planning Organization according to methodology suggested by the State Housing Element Manual of March, 1978. For the purpose of providing new construction needs for the City of Auburn, an update to the 1983 - 1990 household projections provided by the Sierra Planning Organization was required for a new seven year time period from 1985 - 1992. This was accomplished by using the State Department of Finance household and housing unit estimate of 1985, the Sierra Planning Organization's household estimate for 1990, and a 1992 housing unit estimate based on: (1) The ratio between households and housing units in 1985 and applied towards the number of projected households in 1990, and; (2) the average annual housing increase during this five year time period adjusted for two additional years to bring it up to 1992.

Table 30 also takes into account three (3) additional factors necessary to arrive at a revised new construction needs figure by the year 1992 and they are: (1) the number of new housing units actually built in Auburn since the Department of Finance estimates for 1/1/85; (2) The number of residential demolitions (removals) that have occurred since 1/1/85, and; (3) the number of housing units that need replacement, as shown in the housing condition survey completed in September of 1985.

TABLE 30

REVISED NEW CONSTRUCTION NEEDS IN AUBURN
1985 - 1992

New Construction Needs, 1/1/85 - 1/1/92	493 Units
New Units Built, 1/1/85 - 9/1/85	- <u>57 Units</u>
	436 Units
Demolitions, 1/1/85 - 9/1/85	+ <u>7 Units</u>
	443 Units
Units Existing and Needing Replacement	+ <u>21 Units</u>
Revised New Construction Needs, 1985 - 1992	464 Units

Source: City of Auburn

TABLE 31

PROJECTED TOTAL NEW CONSTRUCTION NEEDS, 1985 - 1992¹,
BY INCOME GROUP
City of Auburn

<u>Income Group</u>	<u>Number of Units</u> ²
Very Low	141
Other Low	79
Moderate	107
Above Moderate	<u>137</u>
Total	464

¹ September 1, 1985 - January 1, 1992.

² Using same percentage distribution of households for 1992 as shown in Table 30 for 1990.

Special Needs

Beyond the general housing needs documented in previous sections of this report, State law requires that the housing element include an assessment of the housing needs of special groups within the community including those of the handicapped, elderly, large families, and female head of households, where appropriate. There are four main special needs groups within Auburn, and they are:

(1) Female Head of Households

In 1980, there were 237 female head of households. One hundred fifty-seven or 66.2% of these households involved children. Overall, female head of households represented 11.1% of all households in Auburn. Many households that were headed by females had lower incomes and have difficulty finding affordable housing as a result of their income levels. In many cases where a child under the age of 18 is part of the household composition, the woman is often required to remain at home and cannot work a full-time job which would provide the necessary income to secure more suitable housing.

(2) Elderly Households

Elderly households, ie. households headed by persons 65 and over, constituted 30.2% of all the households in the City of Auburn. Many of these households are receiving Social Security income payments and many are occupying larger homes within the community. This age group was the second largest growing age group in the City. Shared housing, second unit conversions, and construction of new elderly housing units are three methods of providing assistance to this special group.

(3) Young Adult Households

Young adults, ie. persons between 20 and 34 years of age, showed the largest growth of any age group within the City. Representing 16.3% of the population in 1970, individuals in this age group represented 23.0% of the population in 1980 (6.7% increase). Persons in this age group encounter two problems when seeking housing; (1) their first entrance into the job market usually places them on the lower end of the income scale and thus they are often overpaying for housing, and (2) homeownership opportunities are unavailable to them because of the large downpayment required and high monthly mortgage payments.

(4) The Handicapped

While handicapped households do not constitute as significant a share of the population as is true in other housing market areas, special consideration should be given to meeting the housing needs of these residents. Since the largest proportion of handicapped persons have a skeletal/muscular (42.8%) or cardiovascular (15.7%) disability, physical improvements to a segment of the existing and new housing stock should include "grab bars" and other hardware to assist in mobility.

VI. Availability of Land and Services For Residential Development

Residential Zoning

The City of Auburn is approximately three and two-thirds square miles or 2,353 acres in size. The Auburn Area General Plan also includes the unincorporated areas of North Auburn, Lone Star, Christian Valley, Newcastle, and Shirland Tract encompassing 52 square miles. One goal of the Auburn Area General Plan is to locate development into areas where urban services and transportation facilities are readily available. The majority of residential zoning within the City is single family R-1-10 which requires a minimum lot size of 10,000 sq. ft. per dwelling unit. The present zoning designations within the City allow for the following uses:

R-1-5	(Single-Family, 5,000 sq. ft.)	13.8 Acres
R-1-7	(Single-Family, 7,000 sq. ft.)	247.0 Acres
R-1-8.5	(Single-Family, 8,500 sq. ft.)	65.5 Acres
R-1-10	(Single-Family, 10,000 sq. ft.)	1030.0 Acres
R-1-15	(Single-Family, 15,000 sq. ft.)	205.0 Acres
R-2	(Two-Family "Duplex")	15.4 Acres
R-3	(Multiple-Family, Medium Density)	154.0 Acres
A-R	(Agricultural-Residential)	125.8 Acres
A-1	(Exclusive Agricultural)	15.9 Acres
C	(Commercial)	288.0 Acres
M	(Industrial)	192.0 Acres

Vacant Land

In a land use inventory conducted by the Auburn Planning Department, there were 279 potential sites available for residential development in the City of Auburn. These sites were analyzed further in order to determine the allowable number of new units that could be built based on the current zoning ordinance. However, in looking at Table 32 which follows, one important factor must be considered. The allowable number of new units that could be built assume that development would occur at the highest density possible under current zoning regulations and does not take

TABLE 32

VACANT RESIDENTIAL LAND AND UNIT CAPACITY¹
City of Auburn, 1985

<u>Zoning Designation</u>		<u>Allowable Housing Types</u>			<u>Min. Lot Size</u>	<u>Min. Site per D.U.</u>	<u>No. Acres</u>	<u>No. Units</u>
		<u>Single Family</u>	<u>Multi-Family</u>	<u>Other</u>				
AR	(Agriculture Residential)	P			1 Acre	1 Acre	121.9	121
R-1-7	(Single-Family, 7,000 Sq. Ft.)	P		C ²	7,000 Sq. Ft.	7,000 Sq. Ft.	24.3	151
R-1-8.5	(Single-Family, 8,500 Sq. Ft.)	P		C ²	8,500 Sq. Ft.	8,500 Sq. Ft.	3.4	17
R-1-10	(Single-Family, 10,000 Sq. Ft.)	P		C ²	10,000 Sq. Ft.	10,000 Sq. Ft.	244.5	1,065
R-1-15	(Single-Family, 15,000 Sq. Ft.)	P		C ²	15,000 Sq. Ft.	15,000 Sq. Ft.	121.9	353
R-3	(Multiple-Family, Medium Density)	P	P	P ³ , C ⁴	5,000 Sq. Ft.	2,750 Sq. Ft.	19.1	302
C-3	(Regional Commercial District)	C ⁵	P		20,000 Sq. Ft.	20,000 Sq. Ft.	4.7	10
M-1	(Industrial Park District)	C ⁵	C		20,000 Sq. Ft.	20,000 Sq. Ft.	0.5	1
TOTAL							540.3	2,020

P = Permitted by Right

C = Permitted by Conditional Use Permit or Special Hearing

¹ All sites listed have adequate water and sewer and can be built upon.

² Mobile homes on foundations and mobile home parks allowed subject to Planning Commission Review and Approval.
Requires determination of compatibility with character of surrounding neighborhood.

³ Rest homes, foster homes, and non-profit living arrangements.

⁴ Rooming Houses up to fifteen (15) persons.

⁵ Must be in connection with an established commercial/industrial use.

into effect the environmental conditions on-site or circulation improvements required to service the new development.

Surplus Land

There are two large vacant parcels of land owned by the Bureau of Reclamation within the City of Auburn. The first parcel consists of 11 acres located at the north-east corner of Pacific and Sacramento streets in central Auburn and the second parcel is 30 acres in size located at the eastern portion of the City at the American River originally proposed as the Auburn Dam Site. The actual construction of the Dam, however, is questionable at this time and both sites can not be considered as surplus land for residential use in the short range future.

The Auburn Union Elementary School District currently has one vacant site, 14 acres in size known as the Sky Ridge property, adjacent to Maidu Drive in the southern portion of the City. The school district may possibly sell its school administrative headquarters site located on Lincoln Way in central Auburn, moving its facilities to the Sky Ridge area. The City may consider purchasing the 6.5 acre Lincoln Way property as a site for senior citizen housing using grant funds available through federal and State sources or through a redevelopment agency when it is fully activated and has the funds available to finance the project.

Services for Residential Development

The City of Auburn has the infrastructure to easily accomodate residential development consistant with the projected regional new housing construction needs for 1990. City streets throughout the City of Auburn are generally in good condition and in the case of new residential subdivisions, developers are required to provide new streets meeting City specifications to serve the project.

Water is provided to City residents by a quasi-public agency, the Placer County Water Agency (PCWA) which in turn purchases it from the Pacific Gas and Electric Company. The Placer County Water Agency has indicated that it has the ability to provide treated water for a holding capacity of 57,000 persons as represented in the Auburn Area General Plan.

Most sewage in the City of Auburn is collected and treated in a conventional sewage system consisting of gravity collector sewers, small pump stations, main trunk sewers, and a common treatment and disposal system. A relatively small number of dwellings (approximately 140) in the southeast area of the City are served by septic tank - leach field systems and do not contribute sewage to the central sewer system. According to the City's "Sewer System Evaluation Survey" drafted by Black and Veatch, consulting engi-

neers, a projected population of 10,100 could be adequately handled by existing sewage facilities, or approximately 7 years of growth as estimated by the State Department of Finance.

VII. Constraints to Affordable Housing

Governmental Constraints

Governmental policies and regulations can constrain future residential development to varying degrees by imposing requirements and limitations on such development. These actions, in turn, can affect the cost of housing. Generally, these governmental constraints may include local land use controls, building and housing codes, local permit processing times and fees requirements for the provision of services and facilities, other residential development fees, and annexation policy. Examination of the local regulatory structure can highlight those areas of "excessive" regulations where steps can be taken to remove or minimize obstacles to residential development.

Local Land Use Controls

Discretionary control over land use is exercised through the Auburn Area General Plan adopted by the Placer County Board of Supervisors on November 28, 1978 and the Auburn City Council on February 5, 1978, the zoning ordinance, and other implementing ordinances.

The City of Auburn is in the process of activating its redevelopment agency powers pursuant to the California Redevelopment Law. Such activation may require the City to impose additional land use regulations above and beyond the regulations currently in force. The City could be aggressive in allowing density bonuses for appropriate developments and in promoting second unit development. It may require, however, the use of eminent domain powers, tax increment financing, and bond sales available to the redevelopment agency to provide affordable housing developments within the City.

Building and Housing Codes

Building and housing codes establish minimum standards and specifications for structural soundness, safety, and occupancy. The State Housing Law requires cities and Counties to adopt minimum housing standards based on industry uniform codes. In addition to meeting the requirements of the State Housing Law, local governments enforce other state requirements, including requirements for fire safety, noise insulation, soils reports, earthquake protection, energy conservation, and access for the physically handicapped.

The City of Auburn has a City Building Inspection Department with the City able to perform site plan review, conduct building in-

spections, and to implement the uniform codes and other housing regulations as required by law. The City is currently operating under the 1982 edition of the Uniform Building Code (UBC), the Uniform Mechanical Code (UMC), and the Uniform Plumbing Code (UPC), as well as the 1981 National Electrical Code (NEC). In adopting these Uniform Codes, the City's building requirements will provide no more of a hardship on developers than would be the case elsewhere in the unincorporated areas of the county which operate under similar editions of the uniform codes, except the NEC for which Placer County uses the 1984 edition.

Permit Processing Fees and Times

State Law requires that local permit processing fees must not exceed the estimated actual cost of processing the permits. The permit fees charged for development in the City of Auburn are significantly lower than the fees charged by Placer County and do not operate as a major constraint to housing development.

The length of time required to process applications is extremely fast compared to other local agencies, due primarily to the small scale of the local government and its "closeness" to the community.

Residential Development Fees

Similar to most other local agencies in the State of California, the City of Auburn requires street and drainage improvements in connection with subdivision developments. In addition, there is a charge for new sewer and water service to development. For sewer service, the City charges a \$1,200 connection fee and a \$600 fee for plant expansion.

The connection fee to install meters and service connections for water varies with the size of the meter and the type of development. In the case of a new single family residence, the initial fee for water service is \$1725 where the installation of a service lateral and meter are required. For an existing single family residence, a service request is \$20.00. The monthly fee is dependent upon the amount of water used and usually averages \$20.00 per month.

Because of limited staffing, the City contracts with a private engineering firm in Auburn for engineering, surveying, and inspection services which vary in cost depending on the type of services performed. For example, the services of the principal consultant is \$90.00/hr., chief engineer - \$60.00/hr., construction inspector - \$24.00/hr., Associate Land Surveyor - \$40.00/hr., Draftsman - \$24.00/hr., and the services for a two man crew - \$38.00 - \$55.00/hr.

TABLE 33

PERMIT PROCESSING FEES AND TIMES, 1985

City of Auburn

<u>Process</u>	<u>Fee</u>	<u>Time</u>
General Plan Amendment	\$ 77	90 Days
Rezoning	\$ 77	45 Days
Conditional Use Permit	\$ 55	45 Days
Variance	\$ 55	45 Days
Environ. Review: Neg. Dec.	\$ 55	45 Days
EIR	Variable ¹	Variable ¹
Parcel Map	\$ 55	15 Days
Subdivision Map	\$ 66 plus \$2.20/Parcel	15 Days
Map and Plan Checking	\$ 30/Hour	Variable
Lot Line Adjustment	\$ 55	15 Days
Revision to Acreage	\$ 55	15 Days
Home Occupation Permit	\$ 11	5 Days
Annexation	\$660	Variable ²
Building Permit	(V)	Usually One Week
Plan Check	(V)	Usually One Week
Mechanical/Electrical/Plumbing	(V)	Usually One Week

¹ Depends on the cost and time required of a consultant to write the EIR.

² Depends on the scope of issues in annexation request.

(V) Depends on type, equipment, and valuation of structure.

In addition, there are several special fees required of development projects, primarily school impact fees, sewer and firehouse fees in specific geographical areas, and recreation fees. For a single family unit, a \$640 school impact fee is required; for a multi-family unit or condo, \$160.00. A recreation fee of \$545 is required per dwelling unit, regardless of type. An additional sewer fee in specific areas vary from \$635.00 to \$750.00/acre. In the southwestern portion of Auburn, a fee of \$210 per dwelling unit is required for the Maidu Drive firehouse which provides fire protection services to the residents.

Annexation Policy

The City of Auburn is limited in its ability to provide affordable housing due to the lack of available large vacant residentially zoned land areas within the City limits. Substantial development has occurred along the Highway 49 corridor and in other areas outside of the City's boundaries but this can not be adequately addressed in this Housing Element. The City may want to consider an annexation policy which provides enough large parcels to accomodate all densities of housing development, especially higher densities which allow for rental units.

Non-Governmental Constraints

Non-governmental constraints are those constraints limiting the availability of affordable housing over which local government has little or no control. State Law requires that the housing element contain a general assessment of these constraints as a basis for possible actions by the local government to offset the effect of these constraints. The four (4) principal types of non-governmental constraints are the costs associated with financing, the price of land, development costs, and local topography.

Availability of Financing

Interest rates for financing the cost of construction have been the most erratic and problematic component of the housing costs associated with homeownership and rental payments in recent years. Interest rates impact the sales price or rental rates in two distinct ways. The first is the interest rate charged for the construction loan itself. Usually, a developer obtains construction financing for a period of one year at interest rates equal to, or slightly above the prime interest rate. The cost of borrowing construction money is then passed on to the buyer in the form of a higher selling price for the structure.

The second, and most noticeable way in which interest rates affect the prospective buyer or renter is the rate charged for long term mortgage financing. Mortgage interest rates have fluctuated over

the past 10 years within a range of 8 percent to 18 percent. The prevailing interest rate on a conventional 30 year fixed rate mortgage presently runs about 11 7/8 percent or for FHA, 11 1/2 percent with loan origination fees of around 2 1/2 percent plus \$250.

Because so many families have been unable to qualify for home loans at the higher interest rates, sellers, buyers, and financial institutions have created a wide variety of new financing techniques, including mortgages with balloon payments, graduated payments, appreciating equity, and adjustable interest mortgages.

Table 34 shows what the monthly payments would be at different interest rates based on a fixed interest 30 year loan. Taxes, insurance, and utilities would amount to an additional \$200 - \$300 per month.

Using these figures, a typical single family home purchased in the City of Auburn for \$60,000 with a 20% down payment, 11.5% fixed rate, 30 year mortgage would cost approximately \$700 per month to own and operate. Using the 25% ratio of housing cost to annual income mentioned earlier in this report, the household in this situation should have an annual income of \$33,600. At 30% of housing cost to income, the household should have an annual income of \$25,200. In fact, the median household income for the City of Auburn in 1980 was \$15,354.

TABLE 34

MONTHLY MORTGAGE PAYMENTS¹

Interest	(Loan Amount)					
	<u>\$50,000</u>	<u>\$60,000</u>	<u>\$70,000</u>	<u>\$80,000</u>	<u>\$90,000</u>	<u>\$100,000</u>
16%	\$672.28	\$806.85	\$941.33	\$1075.81	\$1210.28	\$1344.76
15%	632.22	785.67	885.11	1011.56	1138.00	1264.44
14%	592.44	710.92	829.41	947.90	1066.38	1184.87
13%	553.10	663.72	774.34	884.96	995.58	1106.20
12%	514.31	617.17	720.03	822.89	925.75	1028.61
11%	476.16	571.39	666.63	761.86	857.09	952.32
10%	438.79	526.54	614.30	702.06	789.81	877.57

1. Based on 30 year fixed-rate mortgage, including principal and interest

Source: Statewide Mortgage

Price of Land

Land prices in the City of Auburn varies considerably depending on the specific geographical location and natural amenities on, or adjacent to the site, and the number of acres purchased. Generally, land values in the City are equal to values in adjacent areas, with the cost per acre ranging from \$25,000 to \$30,000. However, because of pressures for growth, land prices are appreciating at a high rate and these increased prices will ultimately be passed on to the homebuyer.

Cost of Development

The costs of development are made up of four major components; land, sewer and water connection fees, building fees, and construction costs (labor and materials).

Table 35 profiles development costs for a typical new, three bedroom home in the City of Auburn. While the factors which affect the cost of development focuses upon a single family home, these same factors directly affect the affordability of multi-family rental housing in the City.

TABLE 35

HOUSING DEVELOPMENT COST COMPONENTS, ESTIMATE¹
Typical Three Bedroom Unit, Wood Frame (1,500 Sq. Ft.)
City of Auburn, 1985

<u>Component</u>	<u>Cost</u>
Land	\$ 7,500
Sewer/Water/Development Fees	\$ 3,600
Building/Electrical/Mechanical Fees	\$ 712
Construction Cost (Labor & Materials)	<u>\$48,000</u>
Total	\$59,100

¹ Does not include developer profit or commissions.

Topography

The City of Auburn is located generally on rolling foothills with several steep areas along the American and Bear River Canyons. Elevations can range from 680 to 2,100 feet above sea level. Topography influences developmental costs in two ways: (1) It limits where housing can be built and in Auburn it means severely restricting residential development in the eastern and northern areas of the City, and; (2) The cost of constructing housing on sloping terrain, when permitted, is more expensive due to additional physical supporting systems required of the structure to compensate for soil instability.

VIII. Residential Energy Conservation

The State requires local governments to implement energy conservation standards for all new residential development. Under these requirements, every new residential building constructed must meet very rigorous building standards for heat gain and heat loss. Thus, the State has largely preempted the authority of local governments to regulate building construction with respect to energy conservation.

Because there is a limited amount of subdividable land in the City of Auburn, there is an opportunity for the City to require that new development patterns include energy conservation features and promote solar access.

There is also much that can be done in Auburn to promote the use of solar water heating and energy conservation retrofit of existing residential structures.

The use of solar panels for heating water is becoming increasingly popular in Placer County and the City of Auburn, one reason being that Auburn lies above the "fog belt" common to the Central Valley in winters. According to The Solar Syndicate located in Sacramento, it costs approximately \$3,000.00 to install a solar water heating system composed of two 4' by 8' solar panels, 80 gallon hot water tank, pump, pipe, and insulation to meet the needs of a typical three bedroom home using about 100 gallons of water per day. Assuming a 20 percent fuel cost inflation rate and assuming the owner takes the State solar tax credit available until January 1, 1985, the company estimates that such a system will pay for itself in under six years.

In Auburn's moderate climate, installing fairly simple energy conservation features --ceiling insulation, weather stripping, hot water heating insulation--in existing residences can mean significant savings on monthly heating bills. PG&E offers the "ZIP" weatherization program to customers in its service area. Through the "ZIP" program, a PG&E customer can finance up to \$3,500 in energy conservation measures at no interest. Project GO, located in the City of Rocklin, offers federally-funded, free weatherization for low income households and administers the PG&E "ZIP" program for low income households.

Bibliography

The following sources were used in preparing the 1985 Housing Element of the Auburn General Plan.

1. California State Employment Development Department, Employment Data and Research Unit, Annual Planning Information, Placer County, 1985 - 1986, May, 1985.
2. California State Department of Housing and Community Development, Housing Program Summary, 1985.
3. California State Department of Finance, Population and Research Unit, Summary Report, Controlled City and County Population Estimates, 1980 - 1990.
4. California State Department of Rehabilitation, Estimated Persons Who Have Disabilities in California, As of 1 July 1981, Winter, 1980.
5. City of Auburn, Building Permit and Demolition Records, Utility Rates, Auburn Area General Plan, and Auburn Housing Element, 1982.
6. Sacramento Area Council of Governments, Regional Census Data Center, 1980 Census of Population and Housing.
7. Sierra Planning Organization, Regional Housing Allocation Plan for Sierra Planning Organization, Adopted March 7, 1984.
8. U.S. Census Bureau, 1980 Census(Summary Tape Files 1 and 3 for the City of Auburn, Placer County, and State of California.

Appendix A

AVAILABLE HOUSING PROGRAMS

INTRODUCTION

This section summarizes those federal, state, and local programs that the the City of Auburn might pursue in order to implement its Housing Element. The program summaries are based on program descriptions contained in HCD's 1980 Housing Directory and December 1984 Program Summaries, HCD's 1985 Training Manual for the State Community Development Block Grant (CDBG) Program, OPR's General Plan Guidelines, ABAG's 1980 Housing Resources Guide, and Sonoma County's draft 1985 Housing Element. An attempt has been made to provide current (September 1985) information on the status of each program contained herein. Inactive programs have not been included. Eligible sponsor/applicants for each federal and state program are also indicated: (1) city or county; (2) housing authority; (3) special district; (4) non-profit organization; (5) for-profit organization or private developer, and; (6) individual.

FEDERAL PROGRAMS

Department of Housing and Urban Development

Direct Loans for Elderly and Handicapped Housing (HUD Section 202)

Long-term direct loans to private, non-profit sponsors to finance new construction housing rehabilitation for elderly and handicapped targeted income group members.

Status/Availability: Active program; in 1983 Congress authorized \$666 million for up to 14,000 units with interest rates at 9.25%.

Eligibility: 4

Rehabilitation Loans (HUD Section 312)

Rehabilitation loans at below market interest rates for owner-occupied and rental units within designated community development areas.

Status/Eligibility: Very limited funding and the program is scheduled for termination in 1986. It is currently funded at a reduced level to September, 1985.

Eligibility: 6

Low Income Rental Assistance (HUD Section 8)

Since Congress repealed the new construction and substantial rehabilitation (except in conjunction with Section 202 housing), only the section 8 Existing Housing program and moderate reha-

bilitation program remain. The Existing Housing program provides subsidies to owners of existing housing units whenever eligible families rent the units.

Status/Availability: Only the "Existing Housing" rent subsidies portion of the program remains.

Eligibility: 2

Low Income Rental Rehabilitation (Moderate Rehab.)

A HUD program with the goal of rehabilitation of Section 8 Existing Housing on a moderate level. Financing for owners of rental projects is available through housing authorities, but owners must sign a contract to keep the units available for Section 8 tenants for a period of 3-4 years.

Status/Availability: Program may be phased out over the next one or two years. This is an extremely difficult program to make work and it has not been successful in the western portion of the U.S.

Eligibility: 2

Department of Agriculture

Farm Labor Housing Loans (FmHA 514/516)

Provides a combination of loans and grants for the construction, rehabilitation, or aquisition of rental housing for farmworkers, including persons employed at fish and oyster farms. A grant of up to 90% of the project cost is made with the remainder loaned at 1% interest for 33 years.

Status/Availability: Sections 514/516 will be funded near current levels next year and is an attractive program in areas where farming is the predominate industry.

Eligibility: 1,2,4

Department of Health and Human Services

Special Circumstances Program

Provides for a one-time allowance of \$750 and an annual ongoing allowance of \$300 for households receiving Social Security Income to rehabilitate housing to correct health and safety deficiencies. Allowances may also be provided, on an item for item basis, not to exceed the amount specified above, for relocation, replacement of furniture, and to prevent foreclosure actions. Local administration is handled through the County Welfare Office.

Status/Availability: Currently available to all persons receiving

Social Security Income.

Eligibility: 6

Emergency Housing Assistance

A program whereby households in extreme need of temporary shelter receives financial assistance to pay for such shelter. The limited funding available is but one component of the Community Services Block Grant Program applied for by counties on an annual basis. Eligible households include local residents displaced as a result of an eviction or non-resident households displaced while in the community due to circumstances beyond their control.

Status/Availability: Active federal program.

Eligibility: 1

STATE PROGRAMS

California Housing Finance Agency

Home Mortgage Purchase Program (CHFA)

Below market interest rate, 30 year fixed rate and 20 year graduated equity mortgages to first time homebuyers. loans are provided through developers. CHFA is particularly interested in assisting small and moderate size rural projects and scattered site builders.

Status/Availability: Presently inactive since all bond funds have been expended.

Eligibility: 5

Cal First Homebuyers Program (CHFA)

After a first time homebuyer acquires a first mortgage on a home, a qualified lender can offer a CHFA financed second mortgage buy-down that will decrease housing cost payments during the first six years of homeownership. During the following ten years, the mortgage payments increase to repay the second mortgage buy down.

Status/Availability: Voters have authorized up to \$200 million dollars of bonds for the program; the program has not been popular with homebuyers.

Eligibility: 6

Self-Help Housing Program (CHFA)

In the self-help housing program, technical supervision and training, land aquisition, development, and packaged plans and low

interest loans are provided to eligible families (under 80% of median income). The seven to nine months donated by families for construction serves as the down payment for the homes.

Status/Availability: Funding is obtained through the CHFA Single Family Home Mortgage Purchase Program and CHFA has earmarked \$2 million dollars for the program as of 1984.

Eligibility: 6

Multi-Family Rehabilitation Program (CHFA)

State revenue bonds to finance rehabilitation loans in communities that are participating in the HUD Rental Rehabilitation Demonstration Program or have ongoing Community Development Block Grant or other programs. Localities may use the money to provide 15 year rehabilitation loans for existing owners, secured by second deeds of trust, or 25 year aquisition and rehabilitation loans for new owners, secured by first deeds of trust.

Status/Availability: Currently active; \$25 million in bond proceeds available.

Eligibility: 1

80/20 Rental Housing Program (CHFA)

State revenue bonds are sold in order to finance a rental development in which at least 20% of the units of all types and sizes are available to low and moderate income households.

Status/Availability: CHFA has financed projects at a cost of \$18 million and has a committment to finance another \$24.4 million.

Eligibility: 5

California Department of Housing and Community Development

State Community Development Block Grant Program (HCD)

Formerly administered by HUD, the California Department of Housing and Community Development assumed responsibility for administering the federal Small Cities Community Development Block Grant program with the 1983 funding cycle. The program is designed to: (1) benefit low and moderate income families; (2) aid in the prevention of slums and blight; (3) meet other community development needs having a particular urgency. Eligible activities include: (1) aquisition and disposition of real property; (2) construction and improvement of public facilities and improvements; (3) property rehabilitation; (4) provision of public services; (5) payment of the non-federal share of a grant-in-aid program; (6) improvement of sites for assisted housing; (7) relocation assistance; (8) expan-

sion of industrial and commercial property; (9) historic preservation, and; (10) comprehensive community planning.

Status/Availability: Active program.

Eligibility: 1

Deferred Payment Rehabilitation Loan Fund (HCD)

Provides funds for deferred payment loans at 3% interest to rehabilitate housing occupied by low and moderate income homeowners and renters. Local governmental agencies, non-profit corporations, and recognized Indian tribes or rancherias that are operating housing rehabilitation programs are eligible to apply for a fund commitment. Maximum loan amount is \$10,000 per unit in single-family or multi-family developments, or \$5,000 per unit in residential hotels.

Status/Availability: Limited; the program is presently using recaptured money; new appropriation possible in September, 1985.

Eligibility: 1,4

Special User Housing Rehabilitation Program (HCD)

Deferred payment loans for the acquisition and/or rehabilitation of rental housing for low income persons. One component of the program subsidizes the acquisition and/or rehabilitation of apartments and group homes for the elderly and handicapped. The second component funds the preservation of residential hotels.

Status/Availability: All funds presently committed; new appropriation possible in 1985.

Eligibility: 1,4,5

California Housing Advisory Service (HCD)

Grants for local governmental agencies, non-profit organizations, recognized Indian tribes, and community design centers to establish local housing advisory services to assist individuals and groups with self-help construction or rehabilitation of their homes. Program currently emphasizes assistance for self-help rehabilitation.

Status/Availability: Active program; annual appropriation of \$200,000. Possible \$3 million available for program in the fall of 1985. Grants in the range of \$6,000 to \$35,000.

Eligibility: 1,4

Senior Citizens Shared Program (HCD)

Grants to assist seniors to change their living arrangements from that of living alone to sharing existing housing with other seniors and non-seniors. Grants are awarded to non-profit organizations and must be matched with an equal amount of funding or in-kind support. The funds are used for administrative services.

Status/Availability: Funds are available through the State Department of Housing and Community Development in the form of a competitive grant procedure.

Eligibility: 4

Rural and Urban Predevelopment Loan Fund (HCD)

Short-term (2 to 3 years) loans to governments, housing authorities, non-profit organizations, and cooperative housing corporations for the preliminary costs of developing assisted housing for low income families and elderly and handicapped persons. Authorized costs include site acquisition and preparation; architectural, engineering, legal, permit and application fees, and; bonding expenses. Loans are not available for construction financing or administrative costs.

Status/Eligibility: Revolving fund; funds currently available; program may be expended to include land banking as an eligible activity.

Eligibility: 1,2,4

California Home Ownership Assistance Program (HCD)

Provides up to 49% of the purchase price of a dwelling in the form of a mortgage participation with an institutional lender to enable eligible households to purchase housing they would otherwise be unable to afford. When the unit is sold, the state shares in the sales proceeds in proportion to its original investment. The balance of the financing comes from private or public lending institutions. Under this program, HCD may assist (1) renters to purchase their units who otherwise would be displaced by condominium or stock conversions; (2) mobilehome park residents to purchase their spaces if the park is to be converted to a condominium or stock cooperative; (3) households to purchase a mobilehome placed on a permanent foundation, and; (4) stock cooperatives or non-profit corporations to develop or purchase mobilehome parks.

Status/Availability: Revolving fund using recaptured funds. State budget should include \$35 million for program in FY 1985-1986. (RFP should be issued during Fall of 1985.)

Eligibility: 6

State Surplus Land Program (HCD)

A 1978 Governor's Executive Order directs that State surplus lands be given high priority consideration for affordable housing through sale or lease. State law permits the Department of General Services to sell or lease surplus lands at below market value to develop low and moderate income housing.

Status/Availability: There is presently one possible surplus parcel currently owned by the Auburn Union Elementary School District located in the central portion of Auburn.

Local Programs

Redevelopment Agency

Established by the local governing body, a redevelopment agency must apportion a specified percentage of its generated revenue for the construction or rehabilitation of housing, especially taking into consideration low and moderate income households, the elderly, and the handicapped.

Status/Availability: Currently there is not a fully activated redevelopment agency within the City; the agency may be fully activated within two years.

Eligibility: 1

Non-Profit Housing Development Corporation

A Non-Profit Housing Development Corporation (HDC) is a corporation created specifically to promote, assist, or sponsor housing for low and moderate income people. A non-profit HDC does not build "public housing." Rather, it builds or rehabilitates privately-owned housing for people who cannot afford market rate housing but whose incomes are generally above the poverty level. Non-profit HDC's can build housing for families, the elderly and the handicapped. HDC's may build rental housing or they may sponsor limited equity cooperative housing.

Landbanking

Landbanking is the purchase of developable land by a jurisdiction for future use. Many jurisdictions have used landbanked sites to provide affordable housing for low and moderate income people. There are two variations of the landbanking process. A developer may go to the locality with a parcel in mind which he/she can not afford to buy, and the locality will buy it for him/her. Alternatively, the community may choose a parcel and keep it until a developer comes along to build on it. In this case, the jurisdiction has several options regarding control of the site. The most obvious is outright purchase, but this may not be the best way for the locality to use the funds set aside for landbanking. Other

options include: the option to purchase, at a stated price under stated conditions; the option of first refusal, under which the property owner agrees to notify the community in case an offer is made by a second party to purchase the land, and; a lease, which is useful if the property owner is unwilling to sell but is willing to develop the land. Sources of funds for landbanking have usually come from a jurisdiction's Community Development Block Grant (CDBG) monies, although money from a community's general fund can and has been used.

Limited Equity Cooperatives

A limited equity cooperative provides low and moderate income residents with the opportunity for affordable housing ownership. In a limited equity co-op, like a market rate co-op, the residents form a non-profit corporation which has as many shares as there are units in the building. The units may be converted from an existing rental building, or a new building may be constructed as a limited equity cooperative.

To live in a co-op, the residents purchase a share by making a down payment. The residents' monthly payment is their share of the mortgage payment plus the costs of utilities and maintenance. A share entitles co-op members to the use of common areas and their dwelling unit. While they do not own their dwelling unit, co-op members may deduct their share of interest and tax payments when filing tax returns because they are part owners of the building.

Limited equity co-ops differ from market rate co-ops primarily in that the cost of buying a share in a limited equity co-op is generally measured in the hundreds rather than thousands of dollars and can rise only a certain amount each year. The point of limiting the equity build-up is to remove the units from market forces (unlike market rate co-ops), as well as from the rent increases of a for profit owner (unlike most rentals). Thus, the dwelling is kept permanently affordable to low and moderate income people.

Mortgage Revenue Bonds

Tax exempt mortgage revenue bonds are a source of funds which may be used to raise money for mortgage insurance and mortgage loans. The money that is generated by the bonds can then be issued at below market interest rates, for both single-family owner-occupied homes and multi-unit rental housing. The loans may be used for rehabilitation or new construction. Outstanding mortgage loans are collateral for the bonds. Housing finance agencies are created to issue such bonds, but other agencies, such as housing authorities, local governments, redevelopment agencies, and the State may also do so. The interest rate on the mortgage loans issued by these agencies is usually around 1 1/4% above the interest rate paid to bondholders. Private lenders originate the loans, sell them to the city or agency, and service the loans. Private lenders collect a

portion of the 1 1/4% for their services.

Article 34 Housing Referendum

Local voter approval is required by the State Constitution before a public body "develops, constructs, or acquires" a low rent housing project. Usually, rental housing projects where a majority of tenants are low income and constructed by housing authorities or the California Housing Finance Agency are subject to the referendum process.

Taxation and Revenue Code, Section 17299

A statute which denies income tax deductions to owners of substandard rental property, removing the financial incentive to letting property deteriorate.

The City would inventory existing rental housing units and notify owners of substandard property to achieve compliance with housing codes over a specific period of time. Owners not complying would be subject to loss of tax deductions.

Density Bonus Program

Provides that a developer shall receive a density bonus or other incentives for the construction of five or more units in a single development if at least 25% of the development is reserved for low and moderate income households or 10% of the development is specifically set aside for low income persons. The City may, at its discretion, allow an additional density bonus and apply additional regulations governing that bonus. Density bonuses are additional units allowed above and beyond those specified in the General Plan land use classifications.

Status/Availability: Mandated by State Law.

Eligibility: 5

Appendix B

SIERRA PLANNING ORGANIZATION

A JPA CONSISTING OF THE COUNTIES OF
EL DORADO, NEVADA & PLACER

SIERRA ECONOMIC DEVELOPMENT DISTRICT

A MODEL DISTRICT FOR CALIFORNIA

REGIONAL HOUSING ALLOCATION PLAN FOR SIERRA PLANNING ORGANIZATION

Prepared by
Bradford S. Kortick

Adopted By Board - March 7, 1984

Court View Plaza

1230 High Street, Suite 210 • Auburn, California 95603
(916) 823-4703



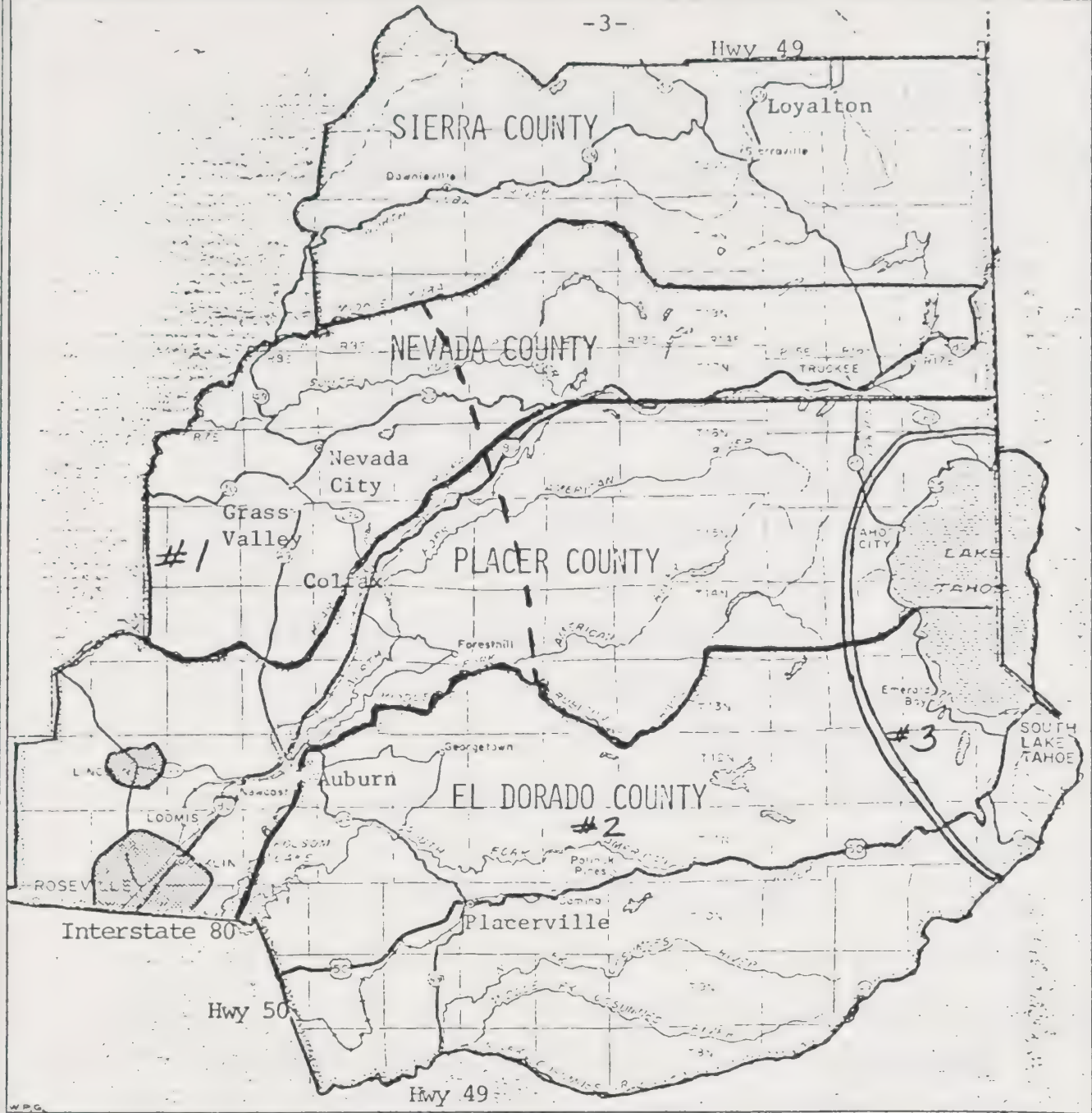
Introduction

In 1980 Assembly Bill 2853 (Government Code Section 65584) was passed by the legislature. One of the mandates of the bill is a requirement of councils of government (COG's) to prepare regional housing allocation plans. This plan is intended to meet this requirement. The previous 1982 Sierra Planning Organization (SPO) Regional Housing Allocation Plan made housing needs projections through 1986. This Plan will cover a period through July 1, 1990.

The Sierra Planning Organization jurisdiction covers a four county area including portions of Placer and El Dorado Counties, Sierra and Nevada Counties and the cities of Nevada City, Grass Valley, Loyalton, Placerville, Auburn and Colfax. The western three cities of Placer County are members of the Sacramento Regional Council of Governments and the Tahoe Basin is covered by Tahoe Regional Planning Agency.

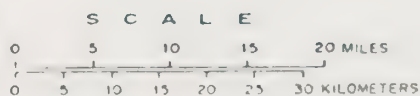
The housing allocations are prepared for areas called "housing market areas". In some cases, a single jurisdiction is treated as a housing market area in this plan; in other cases, several jurisdictions are grouped together to form a "general housing market area" (GHMA). The State Department of Housing and Community Development defines a GHMA as an area which shows significant economic interrelationship and substantial commute levels between jurisdictions. Within the SPO area, two GHMAs are designated in this plan:

1. Western Placer County and Nevada County (called the Western Placer/Western Nevada GHMA)
2. Western El Dorado County (called Western El Dorado GHMA)



Sierra Planning Organization - Four County Region

1. Western Placer/Nevada General Housing Market. Area (Excluding Roseville, Lincoln and Rocklin which are in SACOG).
2. Western El Dorado General Housing Market.
3. Lake Tahoe Basin - Covered By Tahoe Regional Planning Agency.



Purpose

According to the legislation the purpose of the regional housing plan is to determine housing needs of persons at all income levels. These number of housing units are intended to be goals or targets for the jurisdiction.

Preparation of this plan was based on 1980 Census data and projections which provide reliable results. However, the distribution of housing units is difficult at best to project. In addition the State guidelines for regional housing allocation planning are loosely defined. However, the intent of this plan is to provide a set of housing targets for member jurisdictions. With this major goal in mind, the following assumptions were considered in preparing this Plan.

Assumptions

The following set of assumptions underlie this Plan and its rural context.

1. The levels of household growth and construction need contained in this plan may be considered as minimum growth needs. Nothing in this plan should be taken to mean that a local government may not plan for more households than shown in the plan. Due to the rural nature of most of the foothill counties, the services required to provide urban housing densities are not readily available. Also much of the long-range planning performed in the SPO region is based on a premise that growth should be directed to incorporated cities where suitable infrastructure is available.

2. It is assumed that the economic characteristics of each housing market area will not change significantly during the planning period. Consequently, it is assumed that the income group characteristics of each housing market area will be the same in 1990 as in 1983.
3. No growth control measures are in effect within the SPO boundaries. As stated, infrastructure limitations are normally the limiting factor in providing housing.
4. 1980 Census figures were used for the plan and assumed to be valid for 1983.
5. Under this Plan, geography is assumed to remain constant. The cities are not anticipated to annex additional inhabited lands. This Plan does not anticipate incorporation of new cities such as Loomis or El Dorado Hills. If inhabited annexations or incorporations occur, the affected jurisdictions should revise their allocations accordingly.
6. Anticipated employment increase in areas such as South Placer and Grass Valley are included in population projections.
7. The trend towards decreasing household sizes should continue through the time frame of this Plan.
8. The private sector will provide most additional housing. As stated these figures are goals for the SPO jurisdictions to aim for in providing for housing needs.

Regional Housing Needs Allocation

The main objective of this Plan is to provide housing for all segments of the SPO jurisdiction. The figures provided will in turn be used by jurisdictions within SPO to address regional housing needs in the 1984 revision of their respective Housing Elements.

The following tables indicate the current breakdown of 1983 income groups into households, the 1990 allocations and the net change between the two.

The method utilized to arrive at these figures is contained in the appendix. Basically, income group percentages, based on city and county averages, were applied to straight line projections of households.

TABLE A

Sierra Planning Organization

1983 Households

	<u>Very Low</u>	<u>Other Lower</u>	<u>Moderate</u>	<u>Above Moderate</u>	<u>Total</u>
<u>Placer County</u>					
Auburn	1,143	572	773	874	3,362
Colfax	250	85	75	61	471
Unincorporated Housing					
Market Area	5,614	3,661	5,858	9,276	24,409
Balance of County	5,172	3,140	4,803	5,352	18,472
Total County	12,146	7,474	11,679	15,415	46,714
<u>Nevada County</u>					
Grass Valley	1,227	767	997	843	3,834
Nevada City	383	203	263	348	1,197
Unincorporated Housing					
Market Area	3,879	3,266	5,511	7,757	20,412
Balance of County					
(Census Tracts 11 & 12)	409	283	818	1,635	3,145
Total County	6,003	4,574	7,433	10,578	28,588
<u>El Dorado County</u>					
Unincorporated West Slope	4,727	2,878	4,522	8,427	20,554
Placerville	930	507	676	704	2,817
Balance of County	3,183	2,326	2,938	3,796	12,243
Total County	8,903	5,698	8,191	12,821	35,614
<u>Sierra County</u>					
Loyalton	103	54	66	190	413
Unincorporated	284	151	199	312	946
Total County	394	204	258	503	1,359

NOTE: Columns add horizontally but not vertically due to roundings in calculating the income group breakdowns by jurisdiction.

TABLE B

Sierra Planning Organization

1990 Housing Allocation

	<u>Very Low</u>	<u>Other Lower</u>	<u>Moderate</u>	<u>Above Moderate</u>	<u>Total</u>
<u>Placer County</u>					
Auburn	1,220	683	924	1,189	4,016
Colfax	326	111	98	80	615
Unincorporated Housing Market Area	7,065	4,608	7,373	11,674	30,721
Balance of County	8,217	4,989	7,631	8,511	29,348
Total County	16,845	10,391	16,026	21,437	64,700
<u>Nevada County</u>					
Grass Valley	1,409	881	1,145	969	4,404
Nevada City	410	218	282	370	1,280
Unincorporated Housing Market Area	5,117	4,209	7,208	10,979	27,513
Balance of County (Census Tracts 11 & 12)	533	369	1,067	2,134	4,103
Total County	7,833	5,968	9,698	13,801	37,300
<u>El Dorado County</u>					
Unincorporated West Slope	7,849	4,778	7,508	13,991	34,125
Placerville	1,105	603	804	837	3,349
Balance of County	3,413	2,494	3,150	4,069	13,126
Total County	12,650	8,096	11,638	18,216	50,600
<u>Sierra County</u>					
Loyalton	104	54	67	192	417
Unincorporated	418	216	275	474	1,383
Total County	522	270	342	666	1,800

NOTE: Columns add horizontally but not vertically due to roundings in calculating the income group breakdowns by jurisdiction.

TABLE C

Sierra Planning Organization
1983 Households - 1990 Housing Allocation

	<u>Very Low</u>	<u>Other Lower</u>	<u>Moderate</u>	<u>Above Moderate</u>	<u>Total</u>
<u>Placer County</u>					
Auburn	77	111	151	315	654
Colfax	76	26	23	19	144
Unincorporated Housing					
Market Area	1,451	947	1,515	2,398	6,312
Balance of County	3,045	1,849	2,828	3,159	10,876
Total County	4,699	2,917	4,347	6,022	17,986
<u>Nevada County</u>					
Grass Valley	182	114	148	126	570
Nevada City	27	15	19	22	83
Unincorporated Housing					
Market Area	1,238	943	1,697	3,222	7,101
Balance of County	124	86	249	499	958
Total County	1,830	1,394	2,265	3,223	8,712
<u>El Dorado County</u>					
Unincorporated West Slope	3,122	1,900	2,986	5,564	13,572
Placerville	175	96	128	133	532
Balance of County	230	168	212	273	883
Total County	3,747	2,398	3,447	5,395	14,987
<u>Sierra County</u>					
Loyalton	1	0	1	2	5
Unincorporated	134	65	76	162	437
Total County	128	66	84	163	441

NOTE: Columns add horizontally but not vertically due to roundings in calculating the income group breakdowns in jurisdiction.

TABLE D

Sierra Planning Organization

Housing Allocation

COMPARISON OF 1983 AND 1990 INCOME GROUPS

		1983				1990			
		Very Low	Low	Moderate	Above Moderate	Very Low	Low	Moderate	Above Moderate
<u>PLACER COUNTY</u>									
	Auburn	34.0	17.0	23.0	26.0	30.4	17.0	23.0	29.6
	Colfax	53.1	18.0	15.9	13.0	53.0	18.0	15.9	13.0
	Unincorporated Housing								
	Market Area	23.0	15.0	24.0	38.0	23.0	15.0	24.0	38.0
	Balance of County	28.0	17.0	26.0	29.0	28.0	17.0	26.0	29.0
	Total County	26.0	16.0	25.0	33.0	26.0	16.0	25.0	33.0
<u>NEVADA COUNTY</u>									
	Grass Valley	32.0	20.0	26.0	22.0	32.0	20.0	26.0	22.0
	Nevada City	32.0	17.0	22.0	29.0	32.0	17.0	22.0	29.0
69	Unincorporated Housing								
	Market Area	19.0	16.0	27.0	38.0	18.6	15.3	26.2	39.9
	Balance of County	13.0	9.0	26.0	52.0	13.0	9.0	26.0	52.0
	Total County	21.0	16.0	26.0	37.0	21.0	16.0	26.0	37.0
<u>EL DORADO COUNTY</u>									
	Unincorporated West Slope	23.0	14.0	22.0	41.0	23.0	14.0	22.0	41.0
	Placerville	33.0	18.0	24.0	25.0	33.0	18.0	24.0	25.0
	Balance of County	26.0	19.0	24.0	31.0	26.0	19.0	24.0	31.0
	Total County	25.0	16.0	23.0	36.0	25.0	16.0	23.0	36.0
<u>SIERRA COUNTY</u>									
	Loyalton	25.0	13.0	16.0	46.0	25.0	13.0	16.0	46.0
	Unincorporated	30.0	16.0	21.0	33.0	30.2	15.6	19.9	34.3
	Total County	29.0	15.0	19.0	37.0	29.0	15.0	19.0	37.0

SIERRA PLANNING ORGANIZATION

A JPA CONSISTING OF THE COUNTIES OF
EL DORADO, NEVADA & PLACER

SIERRA ECONOMIC DEVELOPMENT DISTRICT

A MODEL DISTRICT FOR CALIFORNIA

REGIONAL HOUSING ALLOCATION PLAN FOR SIERRA PLANNING ORGANIZATION

Prepared by
Bradford S. Kortick

Adopted By Board - March 7, 1984

Court View Plaza

1230 High Street, Suite 210 • Auburn, California 95603
(916) 823-4703



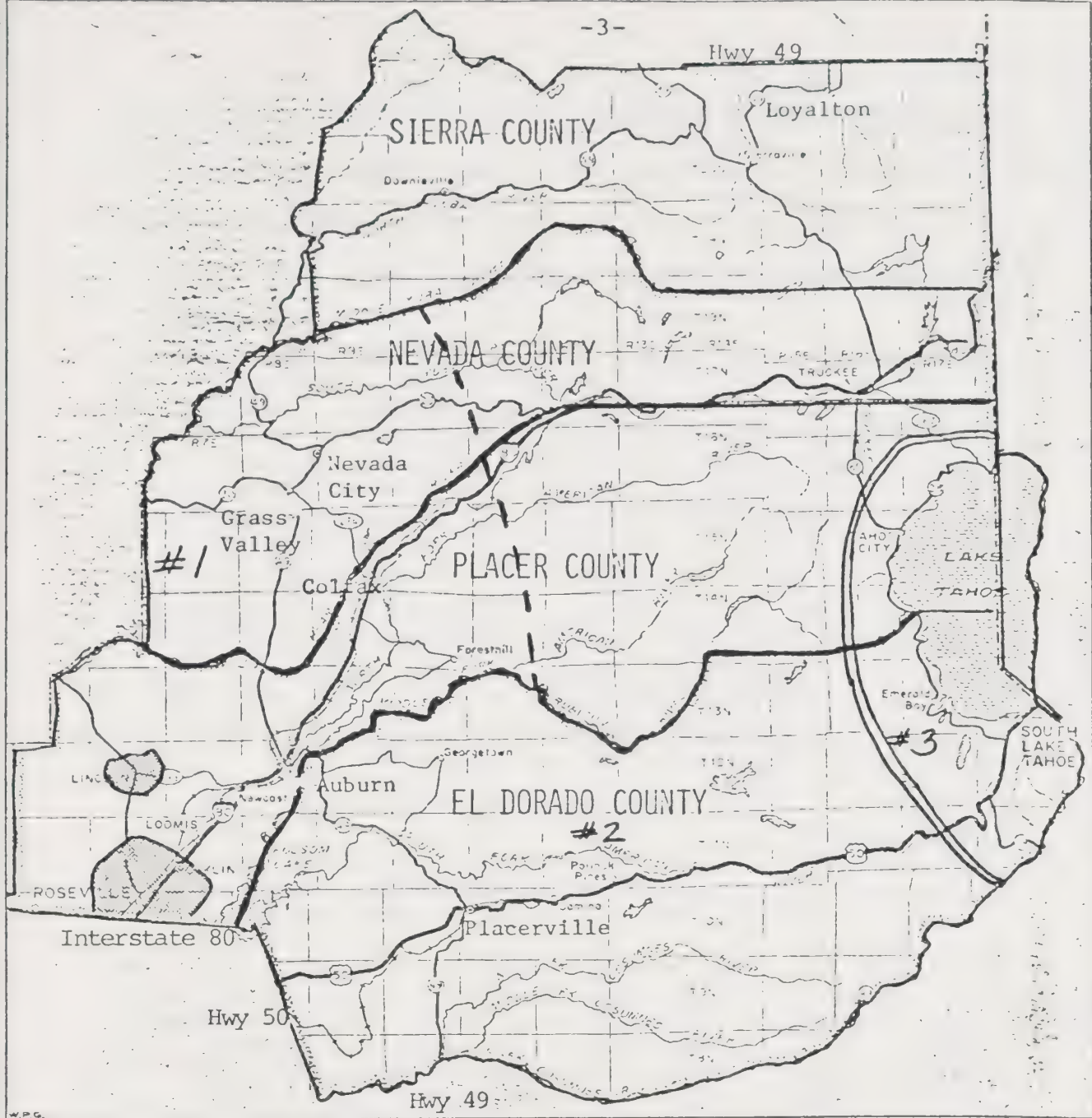
Introduction

In 1980 Assembly Bill 2853 (Government Code Section 65584) was passed by the legislature. One of the mandates of the bill is a requirement of councils of government (COG's) to prepare regional housing allocation plans. This plan is intended to meet this requirement. The previous 1982 Sierra Planning Organization (SPO) Regional Housing Allocation Plan made housing needs projections through 1986. This Plan will cover a period through July 1, 1990.

The Sierra Planning Organization jurisdiction covers a four county area including portions of Placer and El Dorado Counties, Sierra and Nevada Counties and the cities of Nevada City, Grass Valley, Loyalton, Placerville, Auburn and Colfax. The western three cities of Placer County are members of the Sacramento Regional Council of Governments and the Tahoe Basin is covered by Tahoe Regional Planning Agency.

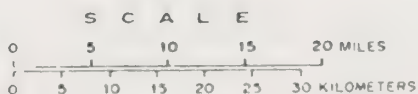
The housing allocations are prepared for areas called "housing market areas". In some cases, a single jurisdiction is treated as a housing market area in this plan; in other cases, several jurisdictions are grouped together to form a "general housing market area" (GHMA). The State Department of Housing and Community Development defines a GHMA as an area which shows significant economic interrelationship and substantial commute levels between jurisdictions. Within the SPO area, two GHMAs are designated in this plan:

1. Western Placer County and Nevada County (called the Western Placer/Western Nevada GHMA)
2. Western El Dorado County (called Western El Dorado GHMA)



Sierra Planning Organization - Four County Region

1. Western Placer/Nevada General Housing Market. Area (Excluding Roseville, Lincoln and Rocklin which are in SACOG).
2. Western El Dorado General Housing Market.
3. Lake Tahoe Basin - Covered By Tahoe Regional Planning Agency.



Purpose

According to the legislation the purpose of the regional housing plan is to determine housing needs of persons at all income levels. These number of housing units are intended to be goals or targets for the jurisdiction.

Preparation of this plan was based on 1980 Census data and projections which provide reliable results. However, the distribution of housing units is difficult at best to project. In addition the State guidelines for regional housing allocation planning are loosely defined. However, the intent of this plan is to provide a set of housing targets for member jurisdictions. With this major goal in mind, the following assumptions were considered in preparing this Plan.

Assumptions

The following set of assumptions underlie this Plan and its rural context.

1. The levels of household growth and construction need contained in this plan may be considered as minimum growth needs. Nothing in this plan should be taken to mean that a local government may not plan for more households than shown in the plan. Due to the rural nature of most of the foothill counties, the services required to provide urban housing densities are not readily available. Also much of the long-range planning performed in the SPO region is based on a premise that growth should be directed to incorporated cities where suitable infrastructure is available.

2. It is assumed that the economic characteristics of each housing market area will not change significantly during the planning period. Consequently, it is assumed that the income group characteristics of each housing market area will be the same in 1990 as in 1983.
3. No growth control measures are in effect within the SPO boundaries. As stated, infrastructure limitations are normally the limiting factor in providing housing.
4. 1980 Census figures were used for the plan and assumed to be valid for 1983.
5. Under this Plan, geography is assumed to remain constant. The cities are not anticipated to annex additional inhabited lands. This Plan does not anticipate incorporation of new cities such as Loomis or El Dorado Hills. If inhabited annexations or incorporations occur, the affected jurisdictions should revise their allocations accordingly.
6. Anticipated employment increase in areas such as South Placer and Grass Valley are included in population projections.
7. The trend towards decreasing household sizes should continue through the time frame of this Plan.
8. The private sector will provide most additional housing. As stated these figures are goals for the SPO jurisdictions to aim for in providing for housing needs.

Regional Housing Needs Allocation

The main objective of this Plan is to provide housing for all segments of the SPO jurisdiction. The figures provided will in turn be used by jurisdictions within SPO to address regional housing needs in the 1984 revision of their respective Housing Elements.

The following tables indicate the current breakdown of 1983 income groups into households, the 1990 allocations and the net change between the two.

The method utilized to arrive at these figures is contained in the appendix. Basically, income group percentages, based on city and county averages, were applied to straight line projections of households.

TABLE A

Sierra Planning Organization

1983 Households

	<u>Very Low</u>	<u>Other Lower</u>	<u>Moderate</u>	<u>Above Moderate</u>	<u>Total</u>
<u>Placer County</u>					
Auburn	1,143	572	773	874	3,362
Colfax	250	85	75	61	471
Unincorporated Housing					
Market Area	5,614	3,661	5,858	9,276	24,409
Balance of County	5,172	3,140	4,803	5,352	18,472
Total County	12,146	7,474	11,679	15,415	46,714
<u>Nevada County</u>					
Grass Valley	1,227	767	997	843	3,834
Nevada City	383	203	263	348	1,197
Unincorporated Housing					
Market Area	3,879	3,266	5,511	7,757	20,412
Balance of County					
(Census Tracts 11 & 12)	409	283	818	1,635	3,145
Total County	6,003	4,574	7,433	10,578	28,588
<u>El Dorado County</u>					
Unincorporated West Slope	4,727	2,878	4,522	8,427	20,554
Placerville	930	507	676	704	2,817
Balance of County	3,183	2,326	2,938	3,796	12,243
Total County	8,903	5,698	8,191	12,821	35,614
<u>Sierra County</u>					
Loyalton	103	54	66	190	413
Unincorporated	284	151	199	312	946
Total County	394	204	258	503	1,359

NOTE: Columns add horizontally but not vertically due to roundings in calculating the income group breakdowns by jurisdiction.

TABLE B

Sierra Planning Organization

1990 Housing Allocation

	<u>Very Low</u>	<u>Other Lower</u>	<u>Moderate</u>	<u>Above Moderate</u>	<u>Total</u>
<u>Placer County</u>					
Auburn	1,220	683	924		
Colfax	326	111	98	1,189	4,016
Unincorporated Housing				80	615
Market Area	7,065	4,608	7,373		
Balance of County	8,217	4,989	7,631	11,674	30,721
Total County	16,845	10,391	16,026	8,511	29,348
				21,437	64,700
<u>Nevada County</u>					
Grass Valley	1,409	881	1,145		
Nevada City	410	218	282	969	4,404
Unincorporated Housing				370	1,280
Market Area	5,117	4,209	7,208		
Balance of County				10,979	27,513
(Census Tracts 11 & 12)	533	369	1,067		
Total County	7,833	5,968	9,698	2,134	4,103
				13,801	37,300
<u>El Dorado County</u>					
Unincorporated West Slope	7,849	4,778	7,508		
Placerville	1,105	603	804	13,991	34,125
Balance of County	3,413	2,494	3,150	837	3,349
Total County	12,650	8,096	11,638	4,069	13,126
				18,216	50,600
<u>Sierra County</u>					
Loyalton	104	54	67		
Unincorporated	418	216	275	192	417
Total County	522	270	342	474	1,383
				666	1,800

NOTE: Columns add horizontally but not vertically due to roundings in calculating the income group breakdowns by jurisdiction.

TABLE C

Sierra Planning Organization

1983 Households - 1990 Housing Allocation

	<u>Very Low</u>	<u>Other Lower</u>	<u>Moderate</u>	<u>Above Moderate</u>	<u>Total</u>
<u>Placer County</u>					
Auburn	77	111	151	315	654
Colfax	76	26	23	19	144
Unincorporated Housing					
Market Area	1,451	947	1,515	2,398	6,312
Balance of County	3,045	1,849	2,828	3,159	10,876
Total County	4,699	2,917	4,347	6,022	17,986
<u>Nevada County</u>					
Grass Valley	182	114	148	126	570
Nevada City	27	15	19	22	83
Unincorporated Housing					
Market Area	1,238	943	1,697	3,222	7,101
Balance of County	124	86	249	499	958
Total County	1,830	1,394	2,265	3,223	8,712
<u>El Dorado County</u>					
Unincorporated West Slope	3,122	1,900	2,986	5,564	13,572
Placerville	175	96	128	133	532
Balance of County	230	168	212	273	883
Total County	3,747	2,398	3,447	5,395	14,987
<u>Sierra County</u>					
Loyalton	1	0	1	2	5
Unincorporated	134	65	76	162	437
Total County	128	66	84	163	441

NOTE: Columns add horizontally but not vertically due to roundings in calculating the income group breakdowns in jurisdiction.

TABLE D

Sierra Planning Organization

Housing Allocation

COMPARISON OF 1983 AND 1990 INCOME GROUPS

	1983				1990			
	Very Low	Low	Moderate	Above Moderate	Very Low	Low	Moderate	Above Moderate
<u>PLACER COUNTY</u>								
Auburn	34.0	17.0	23.0	26.0	30.4	17.0	23.0	29.6
Colfax	53.1	18.0	15.9	13.0	53.0	18.0	15.9	13.0
Unincorporated Housing								
Market Area	23.0	15.0	24.0	38.0	23.0	15.0	24.0	38.0
Balance of County	28.0	17.0	26.0	29.0	28.0	17.0	26.0	29.0
Total County	26.0	16.0	25.0	33.0	26.0	16.0	25.0	33.0
<u>NEVADA COUNTY</u>								
Grass Valley	32.0	20.0	26.0	22.0	32.0	20.0	26.0	22.0
Nevada City	32.0	17.0	22.0	29.0	32.0	17.0	22.0	29.0
Unincorporated Housing								
Market Area	19.0	16.0	27.0	38.0	18.6	15.3	26.2	39.9
Balance of County	13.0	9.0	26.0	52.0	13.0	9.0	26.0	52.0
Total County	21.0	16.0	26.0	37.0	21.0	16.0	26.0	37.0
<u>EL DORADO COUNTY</u>								
Unincorporated West Slope	23.0	14.0	22.0	41.0	23.0	14.0	22.0	41.0
Placerville	33.0	18.0	24.0	25.0	33.0	18.0	24.0	25.0
Balance of County	26.0	19.0	24.0	31.0	26.0	19.0	24.0	31.0
Total County	25.0	16.0	23.0	36.0	25.0	16.0	23.0	36.0
<u>SIERRA COUNTY</u>								
Loyalton	25.0	13.0	16.0	46.0	25.0	13.0	16.0	46.0
Unincorporated	30.0	16.0	21.0	33.0	30.2	15.6	19.9	34.3
Total County	29.0	15.0	19.0	37.0	29.0	15.0	19.0	37.0

U.C. BERKELEY LIBRARIES



C124887789

